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TITLE 4—ACCOUNTS

Chapter I—General Accounting Office

[Gen. Regs. 108]

PART 7—GOVERNMENT REQUESTS FOR TRANSPORTATION OF PASSENGERS

JANUARY 2, 1947.

General Regulations No. 46, issued October 16, 1925, and Supplements Nos. 1 and 2 thereto, issued May 6, 1926, and October 6, 1926, respectively, prescribing the standard forms of U. S. Government requests for transportation and U. S. Government transportation identification card and the procedures pertaining thereto, and General Regulations No. 75, issued June 26, 1931, prescribing the standard forms and procedure for the billing of transportation charges for persons, freight, and express, insofar as the latter regulations pertain to the billing of transportation charges for persons, are hereby rescinded and the following new standard forms and procedure are prescribed in lieu thereof, effective April 1, 1947:

Sec.

AUTHORITY: §§ 7.1 to 7.18, inclusive, issued under sections 309 and 311 (f), 42 Stat. 25; 31 U. S. C. 49 and 52 (f).

§ 7.1 *Standard Government request for transportation of passengers forms.* The following new standard forms for requesting the transportation of passengers by common carriers are hereby prescribed and published for general use throughout the United States Government service, in lieu of all other forms of like character now being used for this purpose:

Standard Form No. 1138,[1] U. S. Government request for transportation—Type A book cover (front and back—outside and inside).

Standard Form No. 1139,[2] U. S. Government request for transportation—Type A, original.

Standard Form No. 1139a,[2] Memorandum of U. S. Government request for transportation—Type A.

Standard Form No. 1140,[2] U. S. Government request for transportation—Type B book cover (front and back—outside and inside).

Standard Form No. 1141,[1] U. S. Government request for transportation—Type B, original.

Standard Form No. 1141a,[2] Memorandum of U. S. Government request for transportation—Type B.

(Specimen forms of the U. S. Government requests for transportation herein prescribed are attached for placing in the FEDERAL REGISTER as exhibits.)

§ 7.2 *Printing and binding.* (a) The size of the above-prescribed standard forms, with the exception of Standard Form No. 1140, will be 8¼ by 3¼ inches including binding. Standard Form No. 1140 will be 8¼ by 16¼ inches including binding. The original requests for transportation, Standard Form Nos. 1139 and 1141, will be printed on light green paper and the memorandum copies thereof, Standard Form Nos. 1139a and 1141a, will be printed on white paper. U. S. Government Request for Trans-

[1] Filed as part of the original document.
[2] Not filed with the Division of the Federal Register.

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FEDERAL REGISTER

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The regulatory material appearing herein is keyed to the Code of Federal Regulations, which is published, under 50 titles, pursuant to section 11 of the Federal Register Act, as amended June 19, 1937.

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NOTICE

General notices of proposed rule making, published pursuant to section 4 (a) of the Administrative Procedure Act (Pub. Law 404, 79th Cong.; 60 Stat. 238), which were carried under "Notices" prior to January 1, 1947, are now presented in a new section entitled "Proposed Rule Making". Relationship of these documents to material in the Code of Federal Regulations, formerly shown by cross reference under the appropriate Title, is now indicated by a bold-face citation in brackets at the head of each document.

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CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such in parentheses.

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portation—Type A, original, Standard Form No. 1139, together with the memorandum copy thereof, Standard Form No. 1139a, will be bound 25 requests to the book in U. S. Government Request for Transportation—Type A Book Cover, Standard Form No. 1138. U. S. Government Request for Transportation—Type B, original, Standard Form No. 1141, together with the memorandum copy thereof, Standard Form No. 1141a, will be bound 100 requests to the book (5 requests to the page) in U. S. Government Request for Transportation—Type B Book Cover, Standard Form No. 1140.

(b) The new forms of U. S. Government Request for Transportation, Standard Forms Nos. 1139, 1139a, 1141, and 1141a, will be prenumbered when printed (numbers will be printed in black only) and such numerals will be immediately preceded by symbol letters (also in black and capital letters only), approved in advance by the Comptroller General of the United States for the purpose of identifying the Government agency using same. In connection with the use of the new forms of transportation requests, there are hereby prescribed, as set forth in § 7.18, revised symbol letters for the several departments, independent establishments, and agencies of the Government, and such symbol letters should always be included in any reference to the serial number of said new forms of transportation request. Symbol letters required by agencies not listed in § 7.18 or any variation from the prescribed symbol letters, must be requested in writing and authorized by written approval of the Comptroller General of the United States. The serial numbers of transportation requests for each department, independent establishment, or agency of the Government will begin with the number "1" and continue numerically thereafter until the serial number for a department, establishment, or agency reaches the number "999,999", at which time the transportation request numbers will again begin with the number "1". However, separate series of serial numbers for Type A and Type B requests must not be used and the present (single) series of serial numbers may be continued to the new forms of requests prescribed herein. A single series of serial numbers must run consecutively through all requests regardless of the type or types ordered.

(c) No departure from the exact specifications of the standard forms herein prescribed will be permitted, but this will not be construed to prevent a department, independent establishment, or agency from ordering printed on the forms used by it, when more economical and advantageous to do so, the name of the department or establishment, name of bureau or service, place of issue, title of issuing officer, and designation of appropriation or fund chargeable.

(d) The above-prescribed forms will be printed only at the Bureau of Engraving and Printing and requisitions therefor should be addressed to the Treasury Department, Bureau of Federal Supply (Printing Section).

(e) The printing of Government requests for transportation by commercial concerns is strictly prohibited.

§ 7.3 *Utilization of the old series of transportation requests.* The present supply of unused Government request for transportation forms of the old type on hand in the departments, independent establishments and agencies, and at the Bureau of Engraving and Printing will be used until exhausted.

§ 7.4 *Accountability for requests for transportation.* Appropriate accountability records must be maintained by the departments and establishments of the United States Government for the purpose of controlling the stock of printed transportation requests on hand and for fixing the accountability upon the employees responsible for their issuance and use. Each officer and employee of the United States Government having custody of Government transportation requests should be held accountable therefor and chargeable with the amount which is required to be paid by the United States by reason of improper use of such requests resulting from fault or negligence.

§ 7.5 *Issue and use of requests.* (a) United States Government requests for transportation will be furnished by competent administrative authority for presentation by persons traveling on official business, based on proper travel authority, to transportation companies in the United States, including the Pullman Company, interurban electric railway companies, motor bus lines, or air lines, and to steamship lines having ports in the United States, for exchange by them for specified passenger, sleeping-car, parlor-car, steamship stateroom, or other commonly recognized transportation accommodations, and should be used, when practicable, to obtain all official transportation when the amount involved is $1 or more.

(b) Requests for Transportation—Type A (Standard Form No. 1139). In those cases where the traveler is authorized to issue transportation requests for his own use, Type A book(s) of blank transportation request forms will be issued to him, and the traveler will sign such requests once only in the space provided thereon for "Signature of issuing officer-traveler". The official issuing Type A book of blank requests to a traveler will show the transaction in the space provided therefor on the inside front cover of the book, Standard Form No. 1138, over his bona fide signature. The traveler should maintain a record of all requests issued by him and of all unnegotiated requests which are spoiled or canceled for any reason, such record to be kept on the stub to which the memorandum of the request for transportation is attached. When there is no further need for unused requests, when separated from Government service, or when all of the requests contained in a book have been exhausted, the book of unused requests or empty cover thereof, as the case may be, should be returned immediately to the official who issued such book of requests to the traveler. Books returned to the issuing officer containing unused requests may be reissued in blank to other travelers until the requests are exhausted, the return and reissue thereof to be shown in the spaces provided therefor on the inside front and back cover of the transportation request book. When all of the spaces provided for this purpose have been used, the unused transportation requests contained in books returned to the issuing officer should be effectively voided, accounted for, and returned through proper administrative channels to the Treasury Department, Bureau of Federal Supply (Printing Section).

(c) Requests for Transportation—Type B (Standard Form No. 1141). Type B transportation requests when signed and issued by an authorized issuing officer other than the traveler are for use only by the traveler named therein for securing the transportation specified. Type B transportation requests should not be issued in blank to travelers to be signed by them both as issuing officer and traveler.

(d) In order that the lowest possible fares for Government travel may be secured, and that the contract of carriage may at all times be clearly understood by all parties concerned, it is incumbent upon officials issuing requests, and upon travelers authorized to issue requests for their own use, to ascertain the lowest fare of the class that will adequately furnish the desired transportation and to issue transportation requests accordingly. When transportation and/or accommodations exceeding those authorized under current Standardized Government Travel Regulations are used, the excess cost thereof will be collected by the proper Government official from the traveler.

(e) Through tickets, excursion tickets, reduced-rate round-trip or party tickets should be secured whenever practicable and economical.

(f) Separate transportation requests should be issued for parlor, chair, or sleeping accommodations when same are not included in the cost of passage ticket.

§ 7.6 *Preparation of requests.* In preparing Government requests for transportation careful attention should be given to all instructions and details in arrangements, especially to the stub attached to the original requests headed "Carrier's stub", which must not be detached or covered by marks or writing since it is for the sole use of the carrier. Transportation requests should be filled in by typewriter, pen, or indelible pencil, and a legible memorandum thereof must always be secured. The information to be inserted in the spaces provided therefor on the transportation request form is as follows:

Good until _____ (date). To avoid the unauthorized use of lost transportation requests, care should be exercised when setting the limitary date to provide for the

definite invalidation of the request at the earliest practicable date.

Name of the Government office to be billed.

Name of the carrier or company on which drawn.

Name of person to be furnished transportation; if a party, the name of person in charge and the number of other persons in the party.

Point of departure.

Destination.

Complete route showing initial letters of each carrier and names of junction points via which ticket is to be issued, and classes of service between junctions in mixed travel.

Appropriation or fund chargeable.

Authorization or object—Identifying reference to authority for travel (serial number and/or date of travel order) must be entered on the transportation request either by the traveler or by the administrative officer who examines same prior to payment.

The class of transportation, number of persons, seat or sleeping accommodations desired, and number of pounds of baggage authorized to be transported in excess of the weight carried free by transportation companies will be indicated in the block provided for this purpose. A blank space is also provided in this block in which to describe accommodations such as staterooms on river and coastwise steamships or air sleeper service, when same are not included in the cost of passage ticket, and other authorized accommodations for which no specific provision is made on the request form. All unused spaces in this block should be canceled by drawing a line through them.

§ 7.7 *Exchange of requests for transportation at ticket offices.* To obtain transportation and/or accommodations, Government requests for transportation completely filled out and validated by an authorized issuing officer other than the traveler, or by an issuing officer-traveler (before reaching ticket window), as the case may be, should be exchanged at a ticket office. When requests are presented at an office not supplied with the proper ticket forms, at a non-agency station, or at a station at which the ticket office is not open for the sale of tickets before departure of train, conductors will honor requests as follows:

(a) If the destination is a point on conductor's run, the request may be honored to destination without exchange, and traveler's receipt secured in the space provided therefor on the face of the request.

(b) If the destination is a point beyond the conductor's run, conductor will honor the request to the first station en route at which proper form of ticket can be issued in the usual way, endorsing on back of request over his signature the points between which request was honored without ticket. When the request is exchanged at an intermediate ticket office, it should show clearly that transportation was furnished from point of origin of travel and not from the intermediate point at which the ticket is exchanged.

(c) When a request presented on the train calls for transportation beyond the line of the initial carrier or beyond the train conductor's run and it is impossible to exchange it before reaching the station at which the traveler leaves the train, or before reaching the end of the conductor's run, as the case may be, the conductor must obtain a statement signed by the traveler, completely describing the transportation request and certifying to the points between which the traveler has been carried and the reason why the request could not be exchanged, such record to be turned in with the conductor's train collections. After securing such statement, the conductor should endorse on the request over his signature the stations between which honored and return it to the traveler who, immediately after leaving the train, will present the request to the ticket agent of the line on which it is drawn, and on which it was honored by the conductor, for exchange for a ticket to the destination named therein. Such request should not be honored by the ticket agent of the carrier on which the journey will be continued, as payment thereon by the Government in that case would necessitate securing a waiver from the initial carrier on which it is drawn.

§ 7.8 *Identification of travelers.* (a) When a traveler signs a request (Type A) as issuing officer-traveler, the carrier will require him to exhibit the book from which the request was taken, in order to ascertain the name of the person to whom the book of requests was issued, and will then require him to establish his identity as the person to whom such book of requests was issued. When a traveler, upon request, fails to produce the book from which the request was taken, the ticket agent should refuse to honor the transportation request and require the traveler to pay cash for his transportation, the amount thereof to be later included, if proper, in the traveler's voucher as an item for reimbursement.

(b) The above requirement as to means of identification does not apply to Type B transportation requests which are filled out and signed by an authorized issuing officer other than the traveler, ready for use by the traveler named therein for transportation specified. Ticket agents should exercise at least ordinary care in assuring themselves of the identity of a traveler who presents a Type B request.

§ 7.9 *Transportation differing from that specified in request.* (a) Carriers must furnish transportation of the class or character and between the points specified in the request. The United States Government will not be responsible for excess costs occasioned by violation of those instructions. Transportation exceeding that called for on the face of the request must be paid for by the traveler when obtained and not billed against the Government.

(b) Where exceptional conditions require the issuance of transportation and/or accommodations differing from that specified in the request, the traveler should record, in the space provided on the reverse of the form, the actual services furnished, the reason for the difference, and sign the statement. Any additional charges resulting from furnishing services or accommodations in excess of those called for on the face of the request should be collected by the carrier from the traveler and not billed against the Government, the notation by the traveler on the reverse of the request being, in such situation, only for purposes of adjustment between the traveler and the Government where the traveler may claim reimbursement.

(c) Transportation furnished by a carrier other than the one named on the face of the request is transportation differing from that specified in the request, and in such case the carrier should require the traveler to record, in the space provided on the reverse of the form, the name of the carrier actually furnishing the transportation and to sign the statement.

(d) Except as provided in paragraphs (b) and (c), of this section, transportation requests must not be altered and requests showing erasures or alterations should not be honored.

§ 7.10 *Refusal of carrier to honor transportation requests.* Should an agent of any transportation company refuse to accept a request, the facts must be reported immediately to the central office of the Government department or independent establishment through the official who furnished the request to the traveler.

§ 7.11 *Spoiled or canceled requests.* All transportation requests spoiled or canceled for any reason should be marked "Canceled" and forwarded immediately, through the official who furnished the request(s), to the administrative office where the accountability records are kept, there to be accounted for and returned through proper administrative channels to the Treasury Department, Bureau of Federal Supply (Printing Section).

§ 7.12 *Memorandum of Government request for transportation.* (a) When the original Government request for transportation is surrendered to the carrier, a legible memorandum copy thereof, properly filled out and showing the estimated cost (ticket agent's valuation of ticket) of the transportation furnished, will be forwarded in accordance with administrative instructions. Connectively, the attention of administrative officers is invited to the provisions of General Regulations No. 100, issued October 4, 1943, which require that in those offices in which the memorandum of the transportation request is the document to be used in recording the obligation for transportation procured, it is essential that the memorandum copy be sent to the administrative office maintaining the fund accounts immediately upon delivery of the original transportation request to the carrier.

(b) When the service furnished varies from that specified in the request, the traveler should record, in the space provided on the reverse of the memorandum of the transportation request form, the actual transportation furnished and the reason for the difference.

§ 7.13 *Uncompleted journeys.* Travelers leaving trains or other conveyances short of destination specified on ticket, after having surrendered ticket or coupon of ticket, must secure a statement of the service rendered to that point from the train conductor or person in charge of conveyance. When traveler surrenders sleeping or parlor-car accom-

modations short of destination, statement must also be obtained from the conductor or person in charge of the conveyance. A statement of fact must be furnished for each interrupted air trip in the course of which the plane is grounded or any part of the air trip canceled short of destination, such statement to include a description of the services furnished upon the resumption of travel. These statements in each case must be forwarded immediately to the central office of the Government department or independent establishment through the official who furnished the request, giving serial number of each request involved.

§ 7.14 *Unused tickets.* (a) Under no circumstances shall an employee attempt to secure a refund from a transportation company for an unused ticket or portion thereof obtained on a Government transportation request.

(b) When a traveler discontinues a trip short of destination and further need for unused ticket(s) or portion(s) thereof has ceased, and when the time limit on a round-trip ticket has expired, unused ticket(s) or portion(s) thereof secured on Government transportation requests must be forwarded immediately to the central office of the Government department or independent establishment through the official who furnished the request(s), together with explanatory statement as to why ticket(s) or such portion(s) thereof was (were) not used. When the traveler fails to comply with the foregoing and an accounting period for the traveler occurs while he is still in possession of an unused ticket, or portion(s), thereof, there should be withheld in his expense account a sufficient amount to cover the cost of same pending a proper accounting therefor.

§ 7.15 *Claims against common carriers for the value of unused passenger tickets or portions thereof.* In order that the General Accounting Office may properly audit and settle accounts involving deductions for, or collections received by reason of, unused tickets or portions thereof, the following procedure is prescribed:

(a) Upon deduction of an amount representing the value of an unused ticket or portion thereof from the voucher on which the covering transportation request is billed, a full description of the unused ticket or portion thereof will be noted on the voucher.

(b) Upon deduction of an amount representing the value of an unused ticket or portion thereof from a voucher other than that on which the covering transportation request was billed, a full description of the unused ticket or portion thereof will be noted on the voucher on which the deduction is made, together with a reference to the transportation request on which the ticket was issued and the disbursing officer's voucher covering payment for same.

(c) When a deduction is made in accordance with the provisions of paragraphs (a) and (b) of this section, the unused ticket or portion thereof will be forwarded by the administrative office making the deduction to the carrier and copy of the letter of transmittal will be attached to the voucher involved.

(d) If deductions cannot be made administratively as hereinabove outlined, the department or agency involved should bill the carrier for the amount due and should request that the remittance (drawn to the order of the Treasurer of the United States) be made direct to the indicated office of the billing agency, and upon receipt of such remittance same will be promptly listed on the schedule of collections then current.

(e) In cases where bills are issued to the carrier for refunds of amounts representing the value of unused tickets or portions thereof, in accordance with the provisions of paragraph (d) of this section, the unused tickets or portions thereof will be forwarded to the carrier along with the billing.

(f) In the event the carrier declines to remit the value of unused tickets or portions thereof, the administrative (billing) office should furnish to the Claims Division, General Accounting Office, Washington, D. C., a copy of the billing, containing references to transportation request numbers and disbursing officers' voucher numbers covering payment therefor, and copies of correspondence with the carrier, for appropriate action.

§ 7.16 *Elimination of waivers.* This office will not take exception to the elimination of waivers on requests honored by one class of carriers but naming on the face thereof another of the class of carriers, provided the cost of the service actually furnished is not in excess of that originally authorized and that the traveler is required by the carrier furnishing the transportation to record on the reverse of the request the name of the carrier and the service actually furnished, the reason for the difference, and sign the statement.

§ 7.17 *Lost or stolen transportation requests.* (a) Lost or stolen transportation requests should be reported promptly to the central office of the Government department or independent establishment through the official furnishing the request, and a copy of such report should be sent to the General Accounting Office without delay. Extreme care should be exercised to report the name of the person to whom issued and the correct symbol and serial numbers of the lost or stolen requests and books.

(b) Under no circumstances should transportation requests which have been reported lost or stolen, and subsequently recovered, be used to obtain transportation or accommodations. Blank or completely filled out transportation requests, not in books, which have been reported lost or stolen, if subsequently recovered should be immediately marked canceled by the officer or employee recovering same and promptly forwarded to the issuing officer who should record the cancellation thereof on the proper transportation request accountability record and forward the request through proper administrative channels to the Treasury Department, Bureau of Federal Supply (Printing Section). Transportation requests in books which have been reported lost or stolen, if subsequently recovered should be marked canceled and forwarded by the finder direct to the Treasury Department, Bureau of Federal Supply (Printing Section), which office should promptly advise the administrative office concerned of all transportation requests so received.

§ 7.18 *Symbol letters prescribed.* Symbol letters prescribed for use in identifying the Government departments, independent establishments, and agencies using the new forms of U. S. Government Request for Transportation (Standard Forms Nos. 1139 and 1141), are as follows:

New symbols	Name of department, independent establishment or agency	Old symbols
A	Agriculture Department	A
BM	American Battle Monuments Commission.	ABM
HM	American Commission for the Protection and Salvage of Artistic and Historic Monuments in Europe.	AAC
AC	Architect of the Capitol	AC
BG	Botanic Gardens	BG
EB	Bureau of the Budget	Ebb
SC	Bureau of Employees' Compensation	EC
TS	Bureau of Federal Supply (Treasury)	TPS
CP	Civilian Production Administration	CPA
CS	Civil Service Commission	CS
TC	Coast Guard	NCG
C	Commerce Department	C
EA	Council of Economic Advisers	None
CL	Court of Claims	CCC
CA	Court of Customs and Patent Appeals.	CA
DC	District of Columbia, Government of	DC
DM	District of Columbia Militia	DCM
LE	Employment Service, U. S	SAss
EX	Executive Office of the President	E
IB	Export-Import Bank of Washington	FEAei
CN	Federal Communications Commission.	RC
DE	Federal Deposit Insurance Corporation.	FIC
HB	Federal Home Loan Bank Administration.	LAhl
HG	Federal Housing Administration	HAfh
LN	Federal Loan Agency	LA
LM	Federal National Mortgage Association.	LAnm
PR	Federal Power Commission	FP
HP	Federal Public Housing Authority	HAph
RS	Federal Reserve System	FR
HS	Federal Savings and Loan Insurance Corporation.	LAsl
SA	Federal Security Agency	SA
TE	Federal Trade Commission	FT
WA	Federal Works Agency	WA
FA	Fine Arts Commission	FA
SF	Food and Drug Administration	SAfd
GA	General Accounting Office	GA
GP	Government Printing Office	GP
HR	House of Representatives	HR
IN	Interior	I
TR	Internal Revenue	TIR
IC	Interstate Commerce Commission	IC
J	Justice Department	J
L	Labor Department	L
EP	Liaison Office for Personnel Management.	Epm
LC	Library of Congress	LC
NM	Marine Corps	M
ME	Maritime Commission	MC
AE	National Advisory Committee for Aeronautics.	NA
AR	National Archives	NAR
AG	National Gallery of Art	NGA
H	National Housing Agency	HAa
LR	National Labor Relations Board	NLB
MB	National Mediation Board	MB
N	Navy Department	N
NS	Bureau of Supplies and Accounts	Ns
AP	Office of Alien Property Custodian	AP
CT	Office of Contract Settlement	OCS
ES	Office of Economic Stabilization	OES
SE	Office of Education	SAe
PA	Office of Price Administration	OPA
SV	Office of Vocational Rehabilitation	SAv
MR	Office of War Mobilization and Reconversion.	WMR
PC	Panama Canal	PC
PD	Philippine War Damage Commission	PD
P	Post Office Department	D
DB	Price Decontrol Board	None
WB	Public Buildings Administration	WApb
SH	Public Health Service	SAph
WR	Public Roads Administration	WApr
IP	Puerto Rico Reconstruction Administration	PR
RD	Railroad Retirement Board	RRB
LF	Reconstruction Finance Corporation	RFC
SX	Securities and Exchange Commission	SE
SR	Selective Service System	DSS
SN	Senate	SN
SM	Smithsonian Institution	SI

New symbols	Name of department, independent establishment or agency	Old symbols
SL	Social Security Administration	SAss
S	State Department	S
SU	Supreme Court of the United States	SC
TF	Tariff Commission	TC
TX	Tax Court of the United States	TCUS
TV	Tennessee Valley Authority	TV
T	Treasury Department	T
UC	U. S. Courts, Administrative Office of.	USCA
V	Veterans Administration	VA
	War Department:	
WE	Engineer Department	WE
WQ	Quartermaster's Department	WQ
WS	War Assets Administration	WAS
WH	White House	WH

LINDSAY C. WARREN,
Comptroller General of the United States.

[F. R. Dc. 47-137; Filed, Jan. 7, 1947; 8:51 a. m.]

[Gen. Regs. 108]

PART 9—PUBLIC VOUCHER FOR TRANSPORTATION CHARGES

USE BY CARRIERS IN BILLING FREIGHT AND PASSENGER TRANSPORTATION CHARGES

JANUARY 2, 1947.

1. The headnote for § 9.2 (11 F. R. 1386) is amended to read as follows: *"Use by carriers in billing freight transportation charges."*

2. Section 9.3 is added to read as follows:

§ 9.3 *Use by carriers in billing passenger transportation charges.* (a) Public Voucher for Transportation Charges (original), Standard Form No. 1113, and memorandum therefor, Standard Form No. 1113a, which were prescribed by General Regulations No. 97—Revised, issued January 21, 1946 (11 F. R. 1386), for use by carriers as the standard forms on which to bill their charges against all branches of the U. S. Government service for the transportation of freight or express, are hereby prescribed and published for use by carriers in full conformity with all of the provisions of said General Regulations No. 97—Revised, pertaining thereto, as the standard forms on which to bill their charges against all branches of the U. S. Government service for the transportation of passengers.

(b) Carriers may either purchase or print or have printed the said voucher forms as indicated in § 9.1 (b) (11 F. R. 1386), including in addition thereto printing by a commercial printer.

(c) Bills involving charges for transportation and accommodations furnished on Government requests for transportation of the old series (Standard Form No. 1030) may continue to be submitted on Public Voucher for Transportation of Passengers (Standard Form No. 1067) which form will be continued to be furnished to carriers by the Government Printing Office. Bills involving charges for transportation and accommodations furnished on the herein-prescribed Government requests for transportation (Standard Forms Nos. 1139 and 1141—see § 7.1 of this chapter) will be submitted on Public Voucher for Transportation Charges (Standard Form No. 1113). All bills must be rendered direct to the issuing bureau or office shown on the face of the transportation request. Carriers should make a special effort to include as many subvouchers as possible on each voucher form, and furnish one memorandum copy, Standard Form No. 1113a, with each voucher form as outlined in § 9.2 (d) (11 F. R. 1386).

(d) Bills involving charges for the transportation of freight or express must not be included on the same voucher with those involving the transportation of passengers and, in order that the class of charges involved in the voucher can be readily determined, the words "Passenger", "Freight", or "Express", as the case may be, should be printed or otherwise placed by the carrier in a conspicuous manner immediately above the title of the voucher form (Standard Form No. 1113) and memorandum thereof (Standard Form No. 1113a) on which the bill is rendered.

(e) In those instances where the showing of information or facts additional to those shown on the transportation request as surrendered by the traveler to the agent (or conductor) at the time of procuring the ticket (or service) is considered necessary to support or explain charges claimed, a statement of such facts or explanation should be made on a separate paper attached to the request or voucher (Standard Form No. 1113), or on said latter form itself if space permits, but in no event should the request itself be subjected to notations in the auditing process by the carrier, except to show carrier's audited value, since it is essential that the information appearing on the transportation request upon completion of the transaction between the traveler and the ticket agent or conductor in procuring and furnishing the ticket or service be clearly reflected at all times and not impaired by subsequent notations.

(Secs. 309, 311 (f), 42 Stat. 25; 31 U. S. C. 49, 52 (f))

[SEAL] LINDSAY C. WARREN,
Comptroller General of the United States.

[F. R. Doc. 47-138; Filed, Jan. 7, 1947; 8:48 a. m.]

TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 25—FORMAL EDUCATION REQUIREMENTS FOR APPOINTMENT TO CERTAIN SCIENTIFIC, TECHNICAL AND PROFESSIONAL POSITIONS

INSTRUCTOR OF ELECTRICAL ENGINEERING AND INSTRUCTOR OF MATHEMATICS

The folowing positions are added to the list of positions in paragraph (a) of § 25.1 (10 F. R. 12839) for which formal educational requirements have been prescribed:

§ 25.1 *Positions for which formal education requirements prescribed.* (a) * * *

INSTRUCTOR OF ELECTRICAL ENGINEERING, P-4

Educational requirement. Applicants must have successfully completed a four-year course of study leading to a bachelor's degree in engineering or physics in a college or university of recognized standing.

Duties. The appointee to this position will instruct cadets at the U. S. Coast Guard Academy in electrical engineering including alternating and direct current machines and circuits and engineering electronics. Under the supervision of the head of the engineering department he will prepare daily assignments, using as guides the assigned textbook, reference texts, Coast Guard instructions and manufacturers' and other technical publications. He will give classroom and laboratory instruction and prepare and grade examinations. He will be required to keep himself informed of the latest developments in his technical field and in education methods so that cadets may receive a knowledge of fundamental concepts and techniques in electrical engineering and develop analytical ability which will enable them to perform the duties of commissioned officers of the Coast Guard.

Justification of educational requirement. Justification for Instructor of Electrical Engineering P-4 is the same as the justification for Teacher, All Grades, 10 F. R. 7081, 12839.

INSTRUCTOR OF MATHEMATICS P-4

Educational requirement. Applicants must have successfully completed a four-year course of study leading to a bachelor's degree with study in mathematics or civil engineering in a college or university of recognized standing.

Duties. The appointee to this position will instruct cadets at the U. S. Coast Guard Academy in mathematics and surveying and related subjects including plane and spherical trigonometry, analytical geometry, plane and hydrographic surveying, differential and integral calculus and analytical mechanics. Under the supervision of the heads of the departments of mathematics and civil engineering he will prepare daily assignments using as guides the assigned textbook, reference texts, Coast Guard instructions and manufacturers' and other technical publications. He will give classroom instruction and prepare and grade examinations. He will be required to keep himself informed of the latest developments in his technical field and in educational methods so that cadets may receive a knowledge of fundamental concepts and techniques and develop analytical ability which will enable them to perform the duties of commissioned officers in the Coast Guard.

Justification of educational requirement. Justification for Instructor of Mathematics, P-4 is the same as the justification for Teacher, All Grades, 10 F. R. 7081, 12839.

(Sec. 5, 58 Stat. 388; 5 U. S. C. Sup. 854)

[SEAL] UNITED STATES CIVIL SERVICE COMMISSION,
ARTHUR S. FLEMING,
Acting President.

[F. R. Doc. 47-148; Filed, Jan. 7, 1947; 8:49 a. m.]

TITLE 8—ALIENS AND NATIONALITY

Chapter I—Immigration and Naturalization Service, Department of Justice

PART 175—CONTROL OF PERSONS ENTERING AND LEAVING THE UNITED STATES PURSUANT TO THE ACT OF MAY 22, 1918, AS AMENDED

CROSS REFERENCE: For revocation of § 175.59, see Title 22, Chapter I, *infra.*

TITLE 14—CIVIL AVIATION

Chapter I—Civil Aeronautics Board

[Regs., Serial No. 382]

PART 202—ACCOUNTS AND REPORTS

FORMS OF ACCOUNTS OF AIR CARRIERS

Adopted by the Civil Aeronautics Board at its office at Washington, D. C., on the 27th day of December 1946. (Revision of § 202.2 of the Economic Regulations, "Form of Accounts of Air Carriers.")

The Civil Aeronautics Board, acting pursuant to the Civil Aeronautics Act of 1938, as amended, particularly section 205 (a), and for the purpose of implementing section 407 (d), and finding that it is desirable that all reports for the year 1947 be uniform, and that this fact renders notice and public procedure impracticable, and that it requires that this regulation be made effective without delay, hereby amends § 202.2 of the Economic Regulations in its entirety to read as follows, effective January 1, 1947:

§ 202.2 *Form of accounts of air carriers*—(a) *Requirement.* Each air carrier engaged in scheduled air transportation shall keep its accounts, records and memoranda in accordance with the Uniform System of Accounts for Air Carriers issued by the Civil Aeronautics Board, dated January 1, 1947, and such amendments thereto as may hereafter be prescribed by the Board.

(b) *Waiver, modification, and interpretation.* The Director of the Economic Bureau shall have the authority to waive, modify, or interpret any of the provisions of the aforesaid Uniform System and to establish detailed uniform practices within the framework of the general accounting requirements prescribed by this section: *Provided,* That, upon application therefor by any affected air carrier, any such waiver, modification, interpretation, or establishment shall be submitted to the Board for review.

(c) *Reports.* This section has been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942. (52 Stat. 984, 1000, as amended; 49 U. S. C. 425, 487).

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,
Secretary.

[F. R. Doc. 47-147; Filed, Jan. 7, 1947; 8:51 a. m.]

[Regs., Serial No. 383]

PART 202—ACCOUNTS AND REPORTS

FORMS OF REPORTS OF FINANCIAL AND OPERATING STATISTICS

Adopted by the Civil Aeronautics Board at its office in Washington, D. C., on the 27th day of December 1946. (Revision of § 202.1 of the Economic Regulations "Forms of Reports of Financial and Operating Statistics.")

The Civil Aeronautics Board, acting pursuant to the Civil Aeronautics Act of 1938, as amended, particularly section 205 (a), and for the purpose of implementing section 407 (a), and finding that it is desirable that all reports for the year 1947 be uniform, and that this fact renders notice and public procedure impracticable, and that it requires that this regulation be made effective without delay, hereby amends § 202.1 of the Economic Regulations in its entirety to read as follows, effective January 1, 1947:

§ 202.1 *Forms of reports of financial and operating statistics*—(a) *Requirement.* Each air carrier engaged in scheduled air transportation shall for all periods subsequent to January 1, 1947, make periodic financial and statistical reports to the Board using the appropriate schedules of the Report of Financial and Operating Statistics for Air Carriers, CAB Form 41; Interim Operating Statement and Selected Expenses, CAB Form 41 (a), and such amendments thereto as may hereafter be approved by the Board. Such reports shall be made in accordance with, and shall be filed with the Secretary of the Board at such times as are specified in, the instructions relating to reporting procedure contained in the Uniform System of Accounts for Air Carriers, effective January 1, 1947, and such amendments thereto as may hereafter be approved by the Board.

(b) *Waiver, modification, and interpretation.* The Director of the Economic Bureau shall have the authority to waive, modify, or interpret any of the aforesaid reporting requirements and to establish detailed uniform practices within the framework of the general reporting requirements prescribed by this section, *Provided,* That, upon application therefor by any affected air carrier, any such waiver, modification, interpretation, or establishment shall be submitted to the Board for review.

(c) *Reports.* This section has been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942. (52 Stat. 984, 1000, as amended; 49 U. S. C. 425, 487)

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,
Secretary.

[F. R. Doc. 47-146; Filed, Jan. 7, 1947; 8:51 a. m.]

TITLE 22—FOREIGN RELATIONS

Chapter I—Department of State

PART 58—CONTROL OF PERSONS ENTERING AND LEAVING THE UNITED STATES PURSUANT TO THE ACT OF MAY 22, 1918, AS AMENDED

ALIENS ENTERING; REVOCATION OF CERTAIN REQUIREMENTS FOR ALIEN SEAMEN

Pursuant to the authority contained in Proclamation 2523, November 14, 1941, 6 F. R. 5821, 5869; 40 Stat. 559; 41 Stat. 1217; ch. 210, 55 Stat. 252; 43 Stat. 153, 166, as amended; sec. 30, 54 Stat. 673; 22 U. S. C. and Sup. 223, 225-227; 8 U. S. C. 201-229, 451; E O. 4049, July 14, 1924, E. O. 8766, June 3, 1941, E. O. 9352, June 15, 1943, 6 F. R. 2741, 8 F. R. 8209:

Section 58.59, Chapter I, Title 22 of the Code of Federal Regulations, issued on July 19, 1945 (effective July 1, 1945: Departmental Regulation 9), such section being also designated as § 175.59 of Title 8, is hereby revoked.

This order shall become effective on the date of its publication in the FEDERAL REGISTER.

Dated: November 15, 1946.

[SEAL] DEAN ACHESON,
Acting Secretary of State.

Concurred in by:

TOM C. CLARK,
Attorney General.

DECEMBER 18, 1946.

[F. R. Doc. 47-175; Filed, Jan. 7, 1947; 8:45 a. m.]

TITLE 12—BANKS AND BANKING

Chapter II—Federal Reserve System

Subchapter A—Board of Governors of the Federal Reserve System

PART 222—CONSUMER CREDIT

AUTOMOBILE APPRAISAL GUIDES

§ 222.109 *Automobile appraisal guides.* This part as revised effective December 1, 1946 (11 F. R. 13949), provided in § 222.9 (d) that the maximum credit value of a used automobile after January 1, 1947, will be the specified percentage of whichever is the lower of (a) the cash purchase price, or (b) the "appraisal guide value" (as determined from any designated guide).

The Board of Governors of the Federal Reserve System on December 16, 1946, designated the used-car guides that are to be used initially for this purpose. The guides designated and the territories for which they are to be used are listed below.

A dealer is not required to use any particular appraisal guide, but may use any one of those designated for use in the territory in which the sale is made. The requirement as to the use of the "appraisal guide value" does not apply to cars of 1936 and older models, and the maximum credit value in such cases will be the specified percentage of the cash purchase price, regardless of any lower appraisal guide value. The "appraisal guide value" to be used for the purposes of this part does not include any added value for cars equipped with a radio or heater, but it may include added value for cars having an overdrive or automatic transmission as extra equipment.

On December 26, 1946, the Board postponed the effective date of the designation, with the result that the guide books are not required to be used for the purposes of Regulation W until January 15, 1947, and the maximum credit value until that time will be based on the cash purchase price only. This action was taken because printing difficulties prevented delivery of certain of the designated guide books by January 1, 1947.

AUTOMOBILE APPRAISAL GUIDES DESIGNATED BY THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM FOR PURPOSES OF § 222.9 (d) EFFECTIVE JANUARY 15, 1947

(Designations limited to quotations for used cars of 1937 and later models)

Name of guide and publisher	*Territory for which publication is designated*
"Market Analysis Report", published by Used Car Statistical Bureau, Inc.	Connecticut. Maine. Massachusetts. New Hampshire. New Jersey. New York. Rhode Island. Vermont.
"American Auto Appraisal", published by American Auto Appraisal.	Region A.[1]
"Official Wisconsin Automobile Valuation Guide", published by National Used Car Market Report, Inc., for Wisconsin Automotive Trades Association.	Wisconsin.
"Kelley Blue Book Official Guide" published by Kelley Blue Book.	Region C.[1]
"Northwest Used Car Values", published by Northwest Publishing Company.	Idaho. Oregon. Washington.
"California Used Car Values"; published by Thomas Publishing Company (Northwest Publishing Company).	Arizona. California. Nevada. Utah.
"Official Automobile Guide", Price Edition, published by Recording & Statistical Corp.:	
"Average retail prices" stated for Region A.	Region A.[1]
"Average retail prices" stated for Region B.	Region B.[1]
"Average retail prices" stated for Region C.	Region C.[1]
"Red Book National Used Car Market Report", published by National Used Car Market Report, Inc.:	
Region A Edition	Region A.[1]
Region B Edition	Region B.[1]
Region C Edition	Region C.[1]
"Blue Book—Executives' Edition," published by National Used Car Market Report, Inc.:	
"Average retail values" stated for Region A.	Region A.[1]
"Average retail values" stated for Region B.	Region B.[1]
"Average retail values" stated for Region C.	Region C.[1]
"N. A. D. A. Official Used Car Guide", published by National Automobile Dealers Used Car Guide Co.:	
Region A Edition	Region A.[1]
Region B Edition	Region B.[1]
Western Edition	Region C.[1]

[1] The regions for which publication is designated comprise the following States:

Region A. Alabama, Connecticut, Delaware, District of Columbia, Florida, Georgia, Illinois (except Madison, St. Clair and Rock Island Counties), Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, Mississippi, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, and Wisconsin (except Douglas County).

Region B. Arkansas, Colorado, Illinois (Madison, St. Clair and Rocks Island Counties), Iowa, Kansas, Louisiana, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, Wisconsin (Douglas County), and Wyoming.

Region C. Arizona, California, Idaho, Nevada, Oregon, Utah, Washington.

(Sec. 5 (b), 40 Stat. 415, as amended by sec. 5, 40 Stat. 966; sec. 2, 48 Stat. 1; sec. 1, 54 Stat. 179; secs. 301 and 302, 55 Stat. 839, 840; 12 U. S. C. 95 (a) and Sup.; 50 U. S. C. App. 616, 617; and Executive Order 8843, Aug. 9, 1941, 6 F. R. 4035)

[SEAL] BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM,
S. R. CARPENTER,
Secretary.

[F. R. Doc. 47-144; Filed, Jan. 7, 1947; 8:50 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter IX—Office of Temporary Controls, Civilian Production Administration

AUTHORITY: Regulations in this chapter unless otherwise noted at the end of documents affected, issued under sec. 2 (a), 54 Stat. 676, as amended by 55 Stat. 236, 56 Stat. 177, 58 Stat. 827, and Public Laws 270 and 475, 79th Congress; Public Law 388, 79th Congress; E. O. 9024, 7 F. R. 329; E. O. 9040, 7 F. R. 527; E. O. 9125, 7 F. R. 2719; E. O. 9599, 10 F. R. 10155; E. O. 9638, 10 F. R. 12591; C. P. A. Reg. 1, Nov. 5, 1945, 10 F. R. 13714; Housing Expediter's Priorities Order 1, Aug. 27, 1946, 11 F. R. 9507; E. O. 9809, Dec. 12, 1946, 11 F. R. 14281; OTC Reg. 1, 11 F. R. 14311.

PART 1010—SUSPENSION ORDERS

[Suspension Order S-1068]

JAMES E. KELLY

James E. Kelly, Daggett, California, began on September 3, 1946, and thereafter carried on the construction on Lot 4, Block 10, Daggett, California, of a project consisting of three 4-unit motel buildings, an office and cafe building and a residence, at a total estimated cost of approximately $30,000, without first having secured authorization therefor from the Federal Housing Administration or the Civilian Production Administration. The beginning and carrying on, subsequent to March 26, 1946, of the construction of said buildings without authorization constituted a wilful violation of the Veterans' Housing Program Order No. 1 and has diverted critical materials to uses not authorized by the Civilian Production Administration. In view of the foregoing, it is hereby ordered that:

§ 1010.1068 *Suspension Order No. S-1068.* (a) Neither James E. Kelly, his successors or assigns, nor any other person shall do any further construction on the project at Lot 4, Block 10, Daggett, California, including putting up, completing or altering the structure, unless otherwise specifically authorized in writing by the Civilian Production Administration.

(b) James E. Kelly shall refer to this order in any application or appeal which he may file with the Civilian Production Administration or the Federal Housing Administration for priorities assistance.

(c) Nothing contained in this order shall be deemed to relieve James E. Kelly, his successors and assigns, from any restriction, prohibition or provision contained in any other order or regulation of the Civilian Production Administration, except insofar as the same may be inconsistent with the provisions hereof.

Issued this 7th day of January 1947.

CIVILIAN PRODUCTION ADMINISTRATION,
By J. JOSEPH WHELAN,
Recording Secretary.

[F. R. Doc. 47-215; Filed, Jan. 7, 1947; 11:15 a. m.]

Chapter XI—Office of Temporary Controls, Office of Price Administration

PART 1388—DEFENSE-RENTAL AREAS

[Housing, Interpretation of Sec. 1 (b) (4) (§ 1388.1181)]

EXEMPTION OF UNDERLYING LEASE

Interpretation of section 1 (b) (4) of the Rent Regulation for Housing.

The following is a revision of an interpretation of section 1 (b) (4) of the Rent Regulation for Housing. This interpretation was originally issued on March 1, 1943.

Interpretation 1 (b) (4)—*I: Exemption of underlying lease.* Assume in each of the following cases that the maximum rent date is March 1, 1942, and the effective date of the Housing and Hotel Regulations is July 1, 1942.

1. On September 1, 1941, L leased a 60-room hotel to T for one year at a rent of $500 a month. When this lease expired on August 31, 1942, all but five of the rooms in the hotel were rented by T to hotel guests. On September 1, 1942, a new one-year lease of the hotel structure was made between L and T, providing for a rent of $700 a month. This rent was less than the aggregate maximum rents of the hotel rooms as established under the Hotel and Rooming House Regulation, (now called the Rent Regulation for Transient Hotels, Residential Hotels, Rooming Houses and Motor Courts). On March 1, 1943, the hotel is being operated by T, and all of the rooms are either rented or offered for rent.

Prior to March 1, 1943, the lease between L and T was subject to the Housing Regulation, and the maximum rent for the structure was established under the first paragraph of section 5 (e) as that paragraph appeared in the regulation prior to that date. Under that paragraph L was permitted to receive the $700 a month rent. On March 1, 1943, section 1 (b) (4) of the Housing Regulation was added by Supplementary Amendment No. 15. That provision exempts the lease between L and T from regulation, since the hotel structure contains more than 25 rooms which are rented or offered for rent by T. This exemption continues so long as the requirements of section 1 (b) (4) are satisfied. However, the renting of the rooms by T remains subject to the Hotel Regulation.

2. Assume the same facts as in paragraph 1, except that the lease of the hotel structure which was in effect on March 1, 1942, expired on May 1, 1942. On the latter date a new two-year lease was made between L and T providing for a rent of $700 a month. This lease is in force on March 1, 1943. It contains no provision giving T the power to cancel or otherwise terminate.

Prior to March 1, 1943, the maximum rent for the hotel structure was established under the first paragraph of section 5 (e) as that paragraph appeared in the regulation prior to that date (Interpretation SL–1). Under that paragraph, L was permitted to receive the $700 a month rent agreed upon in the new lease entered into on May 1, 1942. This underlying lease remains subject to the Housing Regulation, on and after March 1, 1943, until its termination, since the lease was entered into after maximum rent date and prior to the effective date of the Housing Regulation (section 1 (b) (4), as amended by Supplementary Amendment No. 15). The maximum rent for the hotel structure, on and after March 1, 1943, is $700 a month under section 4 (i) of the Housing Regulation, that being the rent in effect on such date. The maximum rent is subject to decrease under section 5 (c) (8) which was added to the Housing Regulation by Supplementary Amendment No. 15. After the lease of the hotel structure expires on April 30, 1944, the structure will no longer be subject to the rent regulations. However, the rooms in the hotel will remain subject to the Hotel Regulation.

3. On May 1, 1942, L completed construction of a new 60-room hotel which he leased on that date to T for a two-year term at a rent of $700 a month. The lease contains no provision giving T the power to cancel or otherwise terminate.

The maximum rent for the hotel structure is $700 a month under section 4 (c) of the Housing Regulation. This rent may be decreased under section 5 (c) (1). Under section 1 (b) (4), the lease between L and T remains subject to the Housing Regulation until its expiration. After the lease expires the hotel structure will no longer be subject to the rent regulations. However, the rooms in the hotel will remain subject to the Hotel Regulation.

4. On September 1, 1941, L leased a 60-room hotel to T for a five-year term at a rent of $500 a month. On May 1, 1942, T sublet the entire structure to S for a two-year term at a rent of $700 a month. Prior to March 1, 1943, both the lease between L and T and the sublease between T and S were subject to the Housing Regulation. On and after March 1, 1943, so long as the conditions necessary to exemption under section 1 (b) (4) are satisfied, the lease between L and T is no longer subject to regulation under section 1 (b) (4). However, the sublease between T and S remains subject to the Housing Regulation since, as provided in section 1 (b) (4), it was entered into after maximum rent date and prior to the effective date of the regulation, and is still in force. The maximum rent which T may receive from S is $500 a month, since that was the rent for the entire structure on March 1, 1942, under the lease between L and T. After March 1, 1943, T may petition for an increase in the maximum rent under section 5 (a) (8), which was added to the Housing Regulation by Supplementary Amendment 15. An adjustment may be ordered if there has been a substantial increase in occupancy of the hotel since March 1, 1942.

Issued this 3d day of January 1947.

EUGENE SWIGART,
Associate General Counsel for Rent.

[F. R. Doc. 47–166; Filed, Jan. 7, 1947; 8:46 a. m.]

PART 1388—DEFENSE-RENTAL AREAS

[Housing, Interpretation of Sec. 4 (§ 1388.1181)]

VARIATIONS IN RENT BECAUSE OF VARIATIONS IN LENGTH OF TERM

Interpretation of section 4 of the Rent Regulation for Housing.

The following is a revision of an interpretation of section 4 of the Rent Regulation for Housing. This interpretation was originally issued on August 8, 1942 and revised on July 1, 1945.

Interpretation 4–VII: Variations in rent because of variations in length of term. Assume the maximum rent date is March 1, 1942, and the effective date of the regulation is July 1, 1942.

L, the owner of a large apartment building, has an established practice of renting apartments on a yearly basis and charging a higher rent to tenants who take leases for less than a year. On the maximum rent date, an apartment in the building was under lease to A, under a written lease for one year which provided for a rent of $55 a month. Similar apartments in the same building were rented to other tenants at rents of $60 a month in cases where such tenants had taken leases for three-month terms. On May 1, 1942, L executed a written lease for three months to B of the apartment rented to A on March 1, 1942, the lease to B providing a rent of $65.

The maximum rent of the apartment is $55. The Housing Regulation, unlike the Rent Regulation for Transient Hotels, Residential Hotels, Rooming Houses and Motor Courts, does not authorize variations in rents because of variations in terms of occupancy.

Conversely, an apartment rented on the maximum rent date for a rent of $60 a month, to a tenant who had entered into a lease for a shorter term such as three months, would continue to have a maximum rent of $60 a month, even though now leased to a tenant under a year's lease.

Issued this 3d day of January 1947.

EUGENE SWIGART,
Associate General Counsel for Rent.

[F. R. Doc. 47–168, Filed, Jan. 7, 1947; 8:52 a. m.]

PART 1388—DEFENSE-RENTAL AREAS

[Housing, Interpretation of Sec. 4 (i) (§ 1388.1181)]

DETERMINATION OF RENT

Interpretation of section 4 (i) of the Rent Regulation for Housing.

The following is a revision of an interpretation of section 4 (i) of the Rent Regulation for Housing. This interpretation was originally issued on March 1, 1943 and revised July 1, 1945.

Interpretation 4 (i)–I: Determination of rent under section 4 (i). Assume in each of the following cases that the maximum rent date is March 1, 1942, and the effective date of the Housing Regulation is July 1, 1942.

1. On September 1, 1941, L leased a house containing 12 rooms to T for one year at a rent of $50 a month. When this lease expired on August 31, 1942 the house was being operated by T as a rooming house, with 10 rooms then rented to subtenants. The maximum rents for the rooms are established under the Rent Regulation for Transient Hotels, Residential Hotels, Rooming Houses and Motor Courts and total $200 a month. On September 1, 1942, L entered into an agreement with T to rent the house on a month-to-month basis at a rent of $75 a month. On March 1, 1943, the house is still rented to T at $75 a month.

Prior to March 1, 1943, the maximum rent for the house was established under the first paragraph of section 5 (e) of the Housing Regulation. This paragraph permitted L, on expiration of the lease on August 31, 1942, to rent the house for a rent not in excess of the aggregate maximum rents of the separate dwelling units in the house. The $75 a month rent was within this limit and was permitted by the first paragraph of section 5 (e).

On March 1, 1943, by Supplementary Amendment No. 15, the first paragraph of section 5 (e) was eliminated from the Housing Regulation. On and after March 1, 1943, the maximum rent for the house is established under section 4 (i) of the Housing Regulation, which was added to the regulation by the above supplementary amendment. Under that paragraph the maximum rent for the house is $75 a month, on and after March 1, 1943. This rent is subject to decrease under section 5 (c) (8) of the Housing Regulation, which was added by Supplementary Amendment No. 15. A decrease may be ordered if the $75 a month rent is higher than the rent generally prevailing in the defense-rental area for comparable accommodations on March 1, 1942, taking into consideration any increase in the number of subtenants since that date.

2. Assume in the above case that, on December 1, 1942, L increased the rent for the house from $75 to $85 a month, and that this rent was in effect on March 1, 1943. The increase in rent was permitted under the first paragraph of section 5 (e), as that paragraph appeared in the Housing Regulation prior to Supplementary Amendment No. 15, since the new amount was not in excess of the

aggregate maximum rents of the separate dwelling units in the house. On and after March 1, 1943 the maximum rent is $85 a month under section 4 (i), subject to decrease under section 5 (c) (8).

3. Assume the same facts as in paragraph 1, except that the lease which was in effect on March 1, 1942, expired on May 1, 1942, whereupon L rented and continued to rent to T on a month-to-month basis for $75 a month. Prior to March 1, 1943, the maximum rent for the house was established under the first paragraph of section 5 (e). That paragraph permitted L to receive $75 a month, since this amount was not in excess of the aggregate maximum rents of the separate dwelling units in the structure. On and after March 1, 1943, the maximum rent for the house is $75 a month under section 4 (i).

Issued this 3d day of January 1947.

EUGENE SWIGART,
Associate General Counsel for Rent.

[F. R. Doc. 47-174; Filed, Jan. 7, 1947; 8:48 a. m.]

PART 1388—DEFENSE-RENTAL AREAS

[Housing, Interpretation of Sec. 6 (§1388, 1181)]

WHAT CONSTITUTES EVICTION

Interpretation of section 6 of the Rent Regulation for Housing.

The following is a revision of an interpretation of section 6 of the Rent Regulation for Housing. This interpretation was originally issued on September 16, 1942 and revised on May 15, 1943.

Interpretation 6-V: What constitutes eviction. (1) Assume that L is entitled to possession of housing accommodations under the local law and has a ground to evict T under section 6 (a) (6) of the regulation, although T continues to pay the rent to which L is entitled. In order to recover possession of such accommodations, L threatens to evict T by force, thereby inducing T to vacate the premises. Within six months after T's removal L desires to rent such accommodations.

T was removed or evicted within the meaning of section 6 (a) (6) and if L rents the accommodations within the six months' period he is required by that section to file a written report prior to such renting. Section 6 (a) prohibits removals or evictions of a tenant, whether by court process or otherwise, except in accordance with the requirements of that section.

(2) L, relying upon his right under section 6 (a) (6), institutes legal proceedings to oust T by service of a summons, stating in the written notice filed in accordance with the requirement of section 6 (d) facts showing a ground for eviction section 6 (a) (6). Before L recovers a judgment T, who is aware of L's right under the regulation and desires to avoid further legal proceedings, vacates the premises. There is an eviction or removal within the meaning of section 6 (a) (6), so that prior to renting the premises within 6 months a report of such renting will be required.

(3) L informs T that he intends to bring an action to recover possession under section 6 (a) (6). T, who is aware of L's right under that section vacates the premises in order to avoid legal proceedings. There is an eviction or removal within the meaning of section 6 (a) (6), so that prior to renting the premises within 6 months a report of such renting will be required.

If L, without specific reliance on a ground for eviction provided by the regulation and without indicating an intention to enforce his right to secure possession by legal action, merely requests T to vacate, a voluntary surrender of possession by T would not constitute a removal or eviction within the meaning of the regulation. Although an agreement by T to waive the benefit of the regulation is void (section 1 (d)), T may vacate voluntarily and a request by L that he do so does not in itself constitute a removal or eviction or an "attempt" to remove or evict. For a removal or eviction to occur within the meaning of section 6, it must be found that L's assertion of his intent to compel T to vacate induced the surrender of possession.

Issued this 3d day of January 1947.

EUGENE SWIGART,
Associate General Counsel for Rent.

[F. R. Doc. 47-163; Filed, Jan. 7, 1947; 8:46 a. m.]

PART 1388—DEFENSE RENTAL AREAS

[Housing, Interpretation of Sec. 6 (b) (2) (§ 1388.1181)]

GENERAL CONSIDERATIONS REGARDING ISSUANCE OF CERTIFICATES

Interpretation of section 6 (b) (1) of the Rent Regulation for Housing.

The following is a revision of an interpretation of section 6 (b) (1) of the Rent Regulation for Housing. This interpretation was originally issued on May 15, 1943.

Interpretation 6 (b) (1)-I: General considerations regarding issuance of certificates. Section 6 prohibits evictions except under the circumstances stated therein. Section 6 (a) sets out certain classes of cases in which tenants may be evicted pursuant to local law. Section 6 (a) does not provide that the grounds stated are of themselves grounds for eviction, but it does provide that, if such grounds are present, the right to evict is for the local court to decide under local law. A tenant may be evicted on a ground set out in section 6 (a) in an action filed directly with the local court. It is not necessary, nor is it contemplated, that the Rent Director issue a certificate in such cases.

The authority given to the Rent Director by section 6 (b) (1) of the Housing Regulation to issue a certificate permitting the landlord to pursue his eviction remedies under local law is to be exercised in cases where there is no ground for eviction under section 6 (a). Such a certificate does not indicate that grounds for eviction under local law are present; it merely leaves the landlord free to pursue whatever remedies he may have in the local courts upon the expiration of the waiting period provided in the certificate.

Where the landlord seeks to evict a tenant under the provisions of section 6 (a) he must comply with the notice requirements of section 6 (d) (1) and 6 (d) (2) of the Housing Regulation. Where a certificate is issued under section 6 (b) (1) or 6 (b) (2) the notice provisions of section 6 (d) (1) do not apply, although the landlord must observe the requirements of section 6 (d) (2).

Before a certificate will be issued under section 6 (b) (1) it must appear, not only that the landlord is acting in good faith in the particular case, but also that removals or evictions in that class of cases are not inconsistent with the purposes of the Price Control Act or the Rent Regulation and would not be likely to result in the circumvention or evasion thereof.

Issued this 3d day of January 1947.

EUGENE SWIGART,
Associate General Counsel for Rent.

[F. R. Doc. 47-164; Filed, Jan. 7, 1947; 8:46 a. m.]

PART 1388—DEFENSE-RENTAL AREAS

[Housing, Interpretation of Sec. 6 (b) (2) (§ 1388.1181)]

SERVICE OF EVICTION NOTICE PRIOR TO EXPIRATION OF WAITING PERIOD

Interpretation of section 6 (b) (2) of the Rent Regulation for Housing.

The following is a revision of an interpretation of section 6 (b) (2) of the Rent Regulation for Housing. This interpretation was originally issued on November 30, 1942 and revised July 1, 1945.

Interpretation 6 (b) (2)-V: Service of eviction notice prior to expiration of waiting period. After October 20, 1942,[1] V sells a house to L who pays 20 percent of the purchase price in cash. At the time of sale the house is rented to T on a month-to-month basis. L petitions the Rent Director for a certificate under section 6 (b) (2). The Rent Director, pursuant to that provision, issues a certificate authorizing the purchaser to pursue his remedies for removal or eviction of T in accordance with the requirements of local law at the expiration of the waiting period.

Under local law it is necessary for L to give one month's notice in order to terminate the month-to-month tenancy and give him the right to possession. L inquires whether he may, during the waiting period, give T a notice to vacate at the expiration of such period. The regulation permits the giving of such a notice. This is not considered the "pursuit of L's remedies" under local law within the

[1] In areas brought under control after October 20, 1942, the applicable date is the effective date of the regulation.

meaning of section 6 (b) (2). However, the notice must not require a surrender of possession prior to expiration of the waiting period.

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EUGENE SWIGART,
Associate General Counsel for Rent.

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PART 1388—DEFENSE RENTAL AREAS

[Housing, Interpretation of Sec. 6 (b) (2) (§ 1388.1181)]

EVICTION FOR PURPOSE OTHER THAN HIS OWN OCCUPANCY BY PURCHASER

Interpretation of section 6 (b) (2) of the Rent Regulation for Housing.

The following is a revision of an interpretation of section 6 (b) (2) of the Rent Regulation for Housing. This interpretation was originally issued on January 9, 1943 and revised July 1, 1945.

Interpretation 6 (b) (2)-VIII: Eviction for purpose other than his own occupancy, by purchaser who buys after October 20, 1942.[1] 1. Eviction prior to execution of sale contract. L is renting a house to T. On or after October 20, 1942,[1] L petitions for a certificate under section 6 (b) (1) of the Housing Regulation on the ground that he wants to evict T in order to sell the house.

The petition will be denied. Eviction of the tenant under these circumstances is inconsistent with the purposes of the act and the regulation and is likely to result in the circumvention or evasion thereof. The conditions under which eviction of a tenant is permitted for occupancy by a purchaser are set out in section 6 (b) (2) of the regulation. The purposes of this provision require the denial of the petition in the above case. Pursuant to those purposes, a certificate will be issued where L desires to sell the house, only after a contract of sale has been made and the requirements of section 6 (b) (2) are satisfied.

2. For purpose of resale. After October 20, 1942,[1] L buys a house which is rented to T, paying 50 percent of the purchase price in cash. L is a real estate broker and buys the house for purposes of resale. He petitions for a certificate under section 6 (b) in order to obtain vacant possession for purposes of sale.

The petition will be denied. As in paragraph 1, the issuance of the certificate is covered by section 6 (b) (1) rather than section 6 (b) (2), since the removal is not sought for occupancy by the purchaser. Even though the payment requirement of section 6 (b) (2) is satisfied, as is true here, eviction of the tenant under these circumstances is inconsistent with the act and the regulation and would be likely to result in the circumvention or evasion thereof. The considerations set out in paragraph 1 apply.

[1] In areas brought under control after October 20, 1942, the applicable date is the effective date of the Regulation.

3. For occupancy by purchaser's family. After October 20, 1942[1] L buys a house which is rented to T for occupancy by L's daughter, who is in urgent need of housing accommodation. L paying 15 percent of the purchase price. L petitions for a certificate under section 6 (b) (2).

The petition will be denied. The issuance of the certificate in this case is covered by section 6 (b) (1) rather than section 6 (b) (2). The latter provision covers only the issuance of certificates where removal of the tenant is sought for "occupancy by a purchaser." However, the policies behind section 6 (b) (2) apply to the present case, and the requirements of that section will be followed in the proceedings under section 6 (b) (1). Since less than 20 percent of the purchase price has been paid, a certificate is not authorized.

Issued this 3d day of January 1947.

EUGENE SWIGART,
Associate General Counsel for Rent.

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PART 1388—DEFENSE-RENTAL AREAS

[Housing, Interpretation of Sec. 6 (b) (2) (§ 1388.1181)]

EVICTION BY PURCHASER WHO RENTS TO NEW TENANTS AFTER SALE

Interpretation of section 6 (b) (2) of the Rent Regulation for Housing.

The following is a revision of an interpretation of section 6 (b) (2) of the Rent Regulation for Housing. This interpretation was originally issued on January 9, 1943, revised May 15, 1943, and July 1, 1945.

Interpretation 6 (b) (2)-IX: Eviction by purchaser who rents to new tenants after sale. 1. After October 20, 1942,[1] L buys a house which is then rented to X, paying 10 percent of the purchase price in cash and agreeing to pay the balance in monthly installments. Thereafter X voluntarily vacates and L rents the house to T on a month-to-month basis. After T has occupied the house for several months, L decides, in good faith, to occupy the house himself. He petitions for a certificate under section 6 (b).

This case is not covered by section 6 (b) (2) and the requirements of that provision are inapplicable. The scope of section 6 (b) (2) is limited to the removal or eviction of a tenant of the vendor.

The proceeding is under section 6 (b) (1) and a certificate will be issued provided L is acting in good faith. (L cannot evict under section 6 (a) (6) since he neither owned nor had an enforceable right to buy or the right to possession of the house prior to October 20, 1942.)

2. After October 20, 1942,[1] L buys a house which is then occupied by the vendor, paying 10 percent of the purchase price in cash and agreeing to pay the balance in monthly installments. The sale is closed and title passes to L, but L agrees with the vendor that the latter may continue to occupy the house for three months, paying rent. The vendor refuses to vacate at the end of three months and L petitions for a certificate under section 6 (b) on the ground that he wants to occupy the house himself.

As in paragraph 1 above, this is not a case covered by section 6 (b) (2) and the requirements of that provision are inapplicable. The proceeding is under section 6 (b) (1) and a certificate will be issued provided L is acting in good faith.

Issued this third day of January 1947.

EUGENE SWIGART,
Associate General Counsel for Rent.

[F. R. Doc. 47-173; Filed, Jan. 7, 1947; 8:47 a. m.]

PART 1388—DEFENSE-RENTAL AREAS

[Housing, Interpretation of Sec. 6 (b) (2) (§ 13388.118)]

ISSUANCE OF CERTIFICATE WHERE THE LANDLORD PROPOSES TO OCCUPY ONLY PART OF ACCOMMODATIONS

Interpretation of section 6 (b) (2) of the Rent Regulation for Housing.

The following is a revision of an interpretation of section 6 (b) (2) of the Rent Regulation for Housing. This interpretation was originally issued on July 3, 1943 and revised on July 1, 1945.

Interpretation 6 (b) (2)-X: Issuance of certificate where the landlord proposes to occupy only part of the accommodations. After October 20, 1942,[1] L buys a ten-room house which is then rented to T, paying more than 20 percent of the purchase price in cash. T occupies seven rooms of the house and rents the remaining three rooms to roomers. L desires to occupy that part of the house now occupied by T and to continue renting the three rooms to the roomers. He petitions for a certificate under section 6 (b) (2).

A certificate will be issued under section 6 (b) (2), since within the meaning of that provision the eviction of T is sought for occupancy by L, the purchaser. Unless the circumstances of the case bring it within one of the exceptions contained in section 6 (b) (2), the certificate will authorize L to pursue his local eviction remedies at the expiration of a full waiting period.

Issued this 3d day of January 1947.

EUGENE SWIGART,
Associate General Counsel for Rent.

[F. R. Doc. 47-172; Filed, January 7, 1947; 8:47 a. m.]

PART 1388—DEFENSE-RENTAL AREAS

[Housing, Interpretation of Sec. 6 (b) (2) (§ 1388.1181)]

PURCHASE OF MULTIPLE-DWELLING STRUCTURES

Interpretation of section 6 (b) (2) of the Rent Regulation for Housing.

The following is a revision of an interpretation of section 6 (b) (2) of the Rent Regulation for Housing. This interpretation was originally issued on May 15, 1943 and revised on July 1, 1945.

Interpretation 6 (b) (2)–VI: Purchase of multiple-dwelling structures. On or after the effective date of Regulation (or on or after October 20, 1942, where the effective date of Regulation is prior to that date), L purchases a twelve-unit apartment building, paying $10,000 cash and assuming a $65,000 mortgage debt. L then petitions for a certificate under section 6 (b) (2) in order to evict T from one of the apartments which L desires to occupy. L is not at present living in the apartment building.

The purchase price is $75,000, and thus the payment requirements of section 6 (b) (2) are not satisfied. (See Interpretation 6 (b) (2)–III, paragraph 1.) A certificate may be issued in this case on the basis of special hardship, if inability to occupy one of the apartments will interfere with L's management or supervision of the structure. If the certificate is issued it may provide for the full waiting period.

The hardship on the landlord will in general depend on the number of dwelling units in the structure. Where this number is substantial the advantage to the landlord in management or supervision of the operation warrants the issuance of a certificate. Usually, however, in the case of smaller structures these considerations of management and supervision will be of less weight and a certificate will not ordinarily issue because of these factors alone.

Issued this 3d day of January 1947.

EUGENE SWIGART,
Associate General Counsel for Rent.

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PART 1388—DEFENSE-RENTAL AREAS

[Housing, Interpretation of Sec. 6 (b) (2) (§ 1388.1181)]

SALE OF HOUSING ACCOMMODATIONS RENTED ON A FURNISHED BASIS; REMOVAL OF THE FURNITURE BY THE SELLER

Interpretation of section 6 (b) (2) of the Rent Regulation for Housing.

The following is a revision of an interpretation of section 6 (b) (2) of Rent Regulation for Housing. This interpretation was originally issued on October 8, 1943 and revised July 1, 1945.

Interpretation 6 (b) (2)–XIII: Sale of housing accommodations rented on a furnished basis; removal of the furniture by the seller. Assume that the effective date of the Housing Regulation is July 1, 1942. After October 20, 1942,[1] L, who was renting a furnished house to T, sold the house to P who paid in cash from unborrowed funds a larger percentage of the purchase price than is specified in section 6 (b) (2). L retained title to the furniture contained in the house. On petition of P, a certificate was issued by the Rent Director authorizing P to pursue his local eviction remedies at the expiration of the usual waiting period after the date of filing the petition. Immediately thereafter L filed a petition under section 5 (b) (2), seeking permission to remove the furniture.

Under such circumstances permission to remove the furniture normally will be given, but the Rent Director is authorized to defer such action until expiration of the waiting period specified in the certificate relating to eviction which was issued to P.

The regulation does not control the allocation between L and P of the rent paid by T for the furnished house. Where an owner who is renting furnished housing accommodations sells the accommodations but retains title to the furniture, it will be advisable for him to make an arrangement with the purchaser concerning allocation of the rent paid by the tenant during the time that the furniture remains in the accommodations after the sale.

Issued this 3d day of January 1947.

EUGENE SWIGART,
Associate General Counsel for Rent.

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[1] In areas brought under control after October 20, 1942, the applicable date is the effective date of the regulation.

PART 1388—DEFENSE-RENTAL AREAS

[Housing, Interpretation of Sec. 6 (c) (3) (§ 1388.1181)]

MEANING OF "OCCUPANT" AND "RESIDENCE"

Interpretation of section 6 (c) (3) of the Rent Regulation for Housing.

The following is a revision of an interpretation of section 6 (c) (3) of the Rent Regulation for Housing. This interpretation was originally issued on February 20, 1943 and revised August 1, 1943.

Interpretation 6 (c) (3)–I: Meaning of "occupant" and "residence". 1. L is the owner of a single-family dwelling in which he resides. On November 1, 1942, L rented two furnished rooms to T at a rent of $12 a week. T immediately entered into occupancy with his wife and five-year-old son. On December 30, 1942, section 6 (c) (3) was added to section 6 of the Housing Regulation by Supplementary Amendment No. 13. L now seeks to evict T and his family.

The exemption of section 6 (c) (3) does not apply, since the rooms contain three "occupants." Section 6 (c) (3) is limited to cases in which the landlord rents to not more than two "occupants" within the landlord's residence. The term "occupant" includes any person residing in the accommodations as a result of a rental agreement, even though such person may not be a party to the rental agreement or a "tenant" within the meaning of the regulation.

The term "occupant" is to be distinguished from the term "paying tenant" as used in section 13 (a) (12). In the case stated if L rents no furnished rooms other than those rented to T, the rooms are subject to the Housing Regulation, since they are rented to only a single "paying tenant."

If in the above case T and his family move into the furnished rooms on or after August 1, 1943, and L is not renting to any other persons within his residence, the exemption of section 6 (c) (4) will apply. (See Interpretation 6 (c) (4)–I.)

2. L is the owner of a single-family dwelling in which he resides. Prior to August 1, 1943, he rents a furnished room to T and his wife who immediately move into the room. L does not rent to any other persons within his residence. After August 1, 1943, L seeks to evict T and his wife.

While the exemption of section 6 (c) (4) does not apply, since the family consisting of T and his wife moved into the room prior to August 1, 1943, the exemption of section 6 (c) (3) is applicable since L is renting to only two occupants within his residence.

3. L owns an apartment building containing 14 apartments and he resides in one apartment consisting of 6 rooms. On November 15, 1942, L rents furnished, to T, one of the rooms in the apartment occupied by him. L continues to occupy the remaining five rooms in the apartment.

Section 6 (c) (3) applies as between L and T, even though in the remainder of the apartment building there are more than two "occupants" who occupy under rental agreements with L. L's apartment is his "residence" within the meaning of section 6 (c) (3).

Section 6 (c) (3) is not limited to rental agreements made after December 30, 1942, the effective date of Supplementary Amendment No. 13.

Issued this 3d day of January 1947.

EUGENE SWIGART,
Associate General Counsel for Rent.

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Chapter XIV—War Contracts Price Adjustment Board

RENEGOTIATION REGULATIONS

The changes and additions to Parts 1602, 1603, 1604, 1607 and 1608 set forth below are also contained in Revision 27 of the Renegotiation Regulations dated December 13, 1946.

MAURICE HIRSCH,
Brigadier General,
General Staff Corps, Chairman.

PART 1602—PROCEDURE FOR RENEGOTIATIONS

SUBPART A—ASSIGNMENTS FOR RENEGOTIATIONS AND CANCELLATIONS

Section 1602.206–8 is added as follows:

§ 1602.206–8 *Filing Standard Form of Contractor's Report prior to end of fiscal year.* If a "Standard Form of Contractor's Report" is filed prior to the close of the contractor's fiscal year it will be accepted as a tentative filing only. Use of the form letter set forth at § 1607.704–4 of this chapter is authorized for the purpose of advising the contractor of his obligations under the act. After the close of the contractor's fiscal year either the letter from the contractor confirming the tentative figures as contemplated by the letter set forth at § 1607.704–4 of this chapter, or, where necessary, the revised

"Standard Form of Contractor's Report," shall be filed in accordance with section 403 (c) (5) (A) of the act. [RR 206.8]

PART 1603—DETERMINATION OF RENEGOTIABLE BUSINESS AND COSTS

SUBPART G—TERMINATION OF RENEGOTIATION

Paragraph (d) of § 1603.374 is amended to read as follows:

§ 1603.374 *Costs paid or incurred.*

* * *

(d) Nothwithstanding the foregoing provisions of this section, no cost which has not been paid or incurred prior to January 1, 1948, will be allocated to performance prior to the close of the termination date. The determination as to whether a cost is paid or incurred prior to such date shall be made by reference to the method of accounting employed by the contractor for purposes of renegotiation. The time limitation specified in the first sentence of this paragraph shall not apply to costs which are accounted for on a completed contract basis or similar method of accounting. If it appears that a cost allocable to performance prior to the close of the termination date will be paid or incurred prior to January 1, 1948, the cost may be allowed conditionally as provided in paragraph (c) of this section. If it appears that the cost will not be paid or incurred prior to January 1, 1948, the risk that the cost will be paid or incurred after such date will, in accordance with § 1604.413–2 (a) of this chapter, be taken into consideration with the other risks assumed by the contractor. In no case will such risk be taken into consideration if the cost is allowed conditionally. [RR 374]

SUBPART H—COSTS ALLOCABLE AND ALLOWABLE AGAINST RENEGOTIABLE BUSINESS

Section 1603.383–3 is amended to read as follows:

§ 1603.383–3 *Renegotiation rebate*—(a) *General.* A contractor who has eliminated excessive profits determined under the Renegotiation Act will be entitled to a net renegotiation rebate under subsection (a) (4) (D) of the 1943 Act with respect to each fiscal year for which such excessive profits were eliminated if, on a recomputation of the amortization deduction under section 124 (d) of the Internal Revenue Code made in connection with the determination of the contractor's taxes for such fiscal year, there is an additional amortization deduction for such fiscal year all or some part of which is determined, in accordance with the regulations hereinafter prescribed, to be attributable to contracts with the Departments and subcontracts. Such net renegotiation rebate is intended to restore to the contractor the excessive profits determined and eliminated for such fiscal year in an amount equal to that part of such additional amortization deduction for such year attributable to contracts with the Departments and subcontracts, but only to the extent that such additional amortization deduction would have resulted in a reduction in the amount of excessive profits eliminated, less the Federal tax benefit thereon as defined by subsection (a) (4) (D) of the Renegotiation Act. The regulations hereinafter prescribed will be construed in the light of such intention.

(b) *Definitions*—(1) *Additional amortization deduction.* The additional amortization deduction allocable to each fiscal year, for the purpose of determining the gross renegotiation rebate, is the excess of the amortization deduction finally determined under section 124 (d) of the Internal Revenue Code for such fiscal year over the amount of amortization or depreciation upon the basis of which the amortization or depreciation attributable to contracts with the Departments and subcontracts was allowed as a cost in the determination of excessive profits to be eliminated for such fiscal year. The term "depreciation" as used herein and in succeeding subparagraphs has reference to those situations in which, in the determination of excessive profits to be eliminated for the fiscal year, the allowance with respect to the write-off of the cost of emergency facilities, to which all or a part of the amortization deduction finally determined under section 124 (d) of the Internal Revenue Code relates, may have been described as "depreciation" or may have been computed on a basis other than on the 60 month basis provided by section 124 of the Internal Revenue Code.

(2) *Gross renegotiation rebate.* The gross renegotiation rebate for each fiscal year is that portion of the additional amortization deduction for such fiscal year, not in excess of the excessive profits determined and eliminated for such fiscal year, which is determined in accordance with the regulations hereinafter prescribed to be attributable to contracts with the Departments and subcontracts.

(3) *Net renegotiation rebate.* The net renegotiation rebate for each fiscal year is the excess of the gross renegotiation rebate for such fiscal year over the amount by which the taxes of the contractor for such fiscal year under Chapters 1, 2A, 2B, 2D, and 2E of the Internal Revenue Code were decreased by reason of omitting from gross income (or by reason of the application of the provisions of section 3806 (a) of the Internal Revenue Code with respect to) that part of the excessive profits determined and eliminated which is equal to the amount of the gross renegotiation rebate for such fiscal year.

(c) *Procedure for obtaining renegotiation rebate.* (1) After a recomputation of the amortization deduction for any fiscal year pursuant to section 124 (d) of the Internal Revenue Code has been made in connection with the determination of the contractor's taxes for such fiscal year, a contractor may apply for a net renegotiation rebate with respect to excessive profits determined and eliminated for such fiscal year by filing a claim in the form set forth at §§ 1607.736–1 and 1607.736–2 of this chapter, together with the information and documents referred to in such form. Such form, together with such information and documents, must be filed with the War Contracts Board at the address specified in § 1607.791–5 of this chapter. A separate application must be filed with respect to each fiscal year for which the contractor claims a net renegotiation rebate. See also Bureau of Internal Revenue Mimeograph No. 6023, reproduced herein at § 1608.852–9 of this chapter.

(2) [Reserved.]

(3) In those cases in which the contractor is a partnership, the proper claimant is the partnership entity, not the individual members of the partnership. A partnership claim for a net renegotiation rebate must be filed on behalf of the partnership entity as it existed for the fiscal year or period to which the claim relates and in the partnership name under which the entity was renegotiated. The forms set forth at §§ 1607.736–1 and 1607.736–2 of this chapter are to be prepared on the basis of such partnership entity being the claimant. The claim itself must be signed on behalf of the partnership by each of the partners (or their legal representative in the event of the death or incapacity of a partner) constituting the partnership for the renegotiated period to which the claim relates and must be certified to by at least one general partner having knowledge of the facts. In the event of a legal representative signing on behalf of a partner, proof of such representative capacity must accompany the claim. If the printed claim forms do not provide adequate space for the signature of all partners, type-written copies of the form should be prepared with the allowance for necessary space.

(4) The contractor may be required to furnish such additional documents and information as the War Contracts Board (or any duly authorized representative) may require in order to determine the amount of the net renegotiation rebate, if any, to which the contractor may be entitled.

(5) Pursuant to the provisions of the Third Deficiency Appropriation Act, 1946, or to the provisions of such other applicable legislation as may from time to time be in force, the War Contracts Board will certify to the Secretary of the Treasury the net renegotiation rebate to which the contractor is entitled.

(d) *Determination of renegotiation rebate*—(1) *Allocation of excessive profits.* Subsection (a) (4) (D) of the 1943 Act provides that the gross renegotiation rebate shall not exceed the excessive profits determined and eliminated for the fiscal year for which the claim for renegotiation rebate has been made. In the absence of such circumstances as would afford a basis for setting aside the determination of excessive profits, the allocation of excessive profits (i) to a fiscal year or (ii) between contractors if renegotiation was conducted on a consolidated basis, made in the order or agreement determining such excessive profits, will be conclusive in determining the amount of the gross renegotiation rebate. However, the recitation contained in the order or agreement with respect to the fiscal years or periods in which excessive profits were reported in contractor's Federal income and excess profits tax returns, made for the purpose of determining the applicable tax credit under section 3806 of the Internal Revenue Code, does not necessarily constitute such an allocation

of the excessive profits to the fiscal years referred to therein. The question of whether or not, in the absence of a specific allocation elsewhere in the order or agreement, such recitation constitutes a proper allocation of excessive profits to the respective fiscal years must be determined by reference to the entire order or agreement and the supporting data submitted in renegotiation. If the order or agreement determining excessive profits has not allocated such excessive profits to a fiscal year or years, such an allocation will be made by the War Contracts Board (or its duly authorized representative) in connection with the determination of the gross renegotiation rebate.

(2) *Determination of amount of additional amortization.* (i) All claims for net renegotiation rebates must be accompanied by the original statement from the Internal Revenue Agent in Charge reflecting the total amount of amortization deduction allowed upon a recomputation of the amortization deduction under section 124 (d) of the Internal Revenue Code made in connection with the determination of the contractor's taxes for the fiscal year to which the claim relates. Since the amount shown on such statement will be the total recomputed amortization deduction allowable for the fiscal year, it will be necessary for purposes of computing the gross renegotiation rebate to first determine what portion of the total recomputed amortization deduction represents the additional amortization deduction allocable to the fiscal year as defined in § 1603.383–3 (b) (1).

(ii) Generally, as in those cases in which the renegotiation was conducted on an over-all fiscal year basis and the accounting basis upon which the renegotiation was conducted is the same as that upon which contractor's Federal tax returns were filed, the additional amortization deduction will be the excess of the total recomputed amortization deduction over the amount of amortization or depreciation charged to total production, i. e. total cost of doing business (both renegotiable and non-renegotiable) in the renegotiation for the fiscal year. The amount charged to total production is not necessarily the amount of amortization deduction or depreciation ultimately allocated to and allowed as a cost of renegotiable business; neither is it necessarily limited to the amount claimed for the fiscal year for Federal income and excess profits tax purposes. The amount so charged to total production shall not be subject to adjustment because of the inclusion therein at the time of the renegotiation of an amount erroneously or otherwise improperly claimed or considered as an amortization deduction. If for any reason the amount of the amortization deduction or depreciation considered in the renegotiation with respect to a particular emergency facility cannot be accurately ascertained, it will be presumed that amortization on the 60 month basis was claimed and used, and the burden shall be upon the contractor to establish otherwise.

(iii) The foregoing general rule should, to the extent that its application properly reflects the amount of the additional amortization deduction allocable to the fiscal year, be employed in each case, However, in certain of those cases in which the renegotiation was not conducted on an over-all fiscal year basis or in which the accounting basis upon which the renegotiation was conducted differs from the basis upon which contractor's Federal tax returns were filed, the determination of the amount of the additional amortization properly allocable to the fiscal year for the purpose of computing the gross renegotiation rebate will require individual treatment depending upon the particular basis upon which the renegotiation was conducted and the accounting procedures employed. In determining the amount of additional amortization deduction allocable to each fiscal year in such cases, the War Contracts Board (or its duly authorized representative) may employ such methods in modification of the foregoing general rule as, in the opinion of the War Contracts Board, are appropriate to the particular circumstances of each case and will properly reflect the amount of such additional amortization to which contractor is entitled.

(3) *Determination of gross renegotiation rebate.* (i) As defined in subsection (a) (4) (D) of the act and § 1603.383–3 (b) (2), the gross renegotiation rebate for each fiscal year is that portion of the additional amortization deduction for such fiscal year, not in excess of the excessive profits determined and eliminated for such fiscal year, which is determined in accordance with the regulations of this part to be attributable to contracts with the Departments and subcontracts.

(ii) It is the intent of the regulations of this part that the basis upon which the original determination of excessive profits for the fiscal year was concluded shall not be modified or deviated from in the making of the net renegotiation rebate. Accordingly, the extent, if any, to which the additional amortization deduction for any fiscal year is attributable to contracts with the Departments and subcontracts shall, for purposes of determining the gross renegotiation rebate, be determined upon the same basis and in the same manner as was used in fixing the amount of amortization or depreciation allowed as a cost in determining the excessive profits to be eliminated for such fiscal year. It is intended, generally, that the additional amortization deduction determined under these regulations to be attributable to renegotiable business shall be an amount which, when added to the amount of amortization deduction or depreciation allowed as a cost of renegotiable business in the determination of excessive profits attributable to the renegotiated year, shall total the same dollar amount as would have been charged against renegotiable business had the total recomputed amortization deduction been available to the contractor at the time of renegotiation and had such total recomputed amortization deduction been allocated on the same basis and in the same manner as was the amortization deduction or depreciation in the renegotiation proceedings.

(iii) For example, if certain costs, including amortization or depreciation of emergency facilities, were allocated between renegotiable and non-renegotiable business in the ratio of renegotiable and non-renegotiable sales to total sales, then the additional amortization deduction shall be allocated on the same basis. Likewise, if the original allocation of the amortization deduction or depreciation was made on the basis of the use of the facilities in renegotiable business, the same percentage or extent of use as then determined or applied shall be applied in the allocation of the additional amortization. If the amortization deduction or depreciation was allocated on the basis of contractor's cost system then in use at the time of the renegotiation, the same basis shall be used as regards the additional amortization. Generally, the application of the foregoing rule will result in the allocation of additional amortization deduction in the same percentage ratio as resulted in the allocation of the amortization deduction or depreciation in the renegotiation. If the allocation of the additional amortization deduction does not reflect the same percentage ratio as that resulting from the original allocation, the circumstances giving rise to such deviation must be clearly and factually explained, and the burden of proof will be upon the contractor to establish the validity of the basis so employed.

(iv) In certain cases the excessive profits determined to have been realized with respect to the fiscal year to which the claim for the net renegotiation rebate relates have not been wholly eliminated because of the application of the $25,000 and $500,000 "floor" provisions contained in § 1603.348–3. In such cases the amount of excessive profits eliminated was less than the amount of excessive profits determined. Had the additional amortization deduction been available to the contractor at the time of renegotiation, the amount of excessive profits determined would have been less by reason of the allowance for such additional amortization. The amount of excessive profits eliminated, however, would not have been correspondingly reduced, but would have been reduced only to the extent that the portion of the additional amortization deduction allocable to renegotiable business exceeded the uneliminated portion of the excessive profits determined. Therefore, to avoid restoring to the contractor an amount greater than the amount by which the excessive profits eliminated would have been reduced had allowance been made for the additional amortization deduction in the determination of the excessive profits, and to afford equal treatment to both those cases in which renegotiation has been conducted prior to the recomputation of the amortization deduction and those cases in which renegotiation is accomplished after such recomputation, the portion of the additional amortization deduction determined to be allocable to renegotiable business for the purpose of computing the gross renegotiation rebate in such cases shall not exceed the amount by which the excessive profits determined

and eliminated for the renegotiated year would have been reduced had an allowance been made for the additional amortization deduction in the determination of such excessive profits. The foregoing limitation shall be given effect by reducing the amount of the additional amortization deduction computed in accordance with the general provisions enumerated in the foregoing paragraphs which would otherwise be allocable to renegotiable business, by the amount of the excessive profits determined with respect to such year which were not eliminated by reason of the application of the floor provision.

(v) For special rule applicable to amortization with respect to incompleted facilities see subparagraph (4) of this paragraph.

(4) *Special rule with respect to incompleted facilities.* In any case in which contractor has elected to terminate the amortization period with respect to an incompleted emergency facility pursuant to section 124 (d) of the Internal Revenue Code, the amount of the amortization applicable to such incompleted facility reflected in the statement of the Internal Revenue Agent in Charge showing the total recomputed amortization shall, in the determination of the portion thereof attributable to renegotiable business, be considered separately in accordance with the principles set forth in this subparagraph. Ordinarily, no part of the cost of such incompleted emergency facility will have been previously considered in the determination of the excessive profits to be eliminated and, accordingly, there will have been no previous determination as to the allocability of any portion of amortization or depreciation of such facility to renegotiable business. In view of the unusual character of the amortization deduction—namely, a cost arising from a facility which has not been employed directly in the production of goods under a contract with a Department or a subcontract, yet which may have been a reasonable or integral part of contractor's war production program, the allocability of such a cost cannot be determined solely upon the general principles set forth in the regulations of this part for determining the allocability of costs of performance of renegotiable business. Accordingly, the portion of the total recomputed amortization deduction applicable to such incompleted facility to be allocated as a cost of renegotiable business in computing the gross renegotiation rebate shall be determined by the War Contracts Board in the light of all of the circumstances surrounding the construction, reconstruction, erection, or installation of the particular facility. For the purposes of completing the claim in such cases, contractor should estimate the amount of such amortization deduction which is deemed to be attributable to renegotiable business, and include such estimated amount in the computation of the gross renegotiation rebate. Contractor's estimate should be supported by separate schedule showing the amount of amortization deduction applicable to each incompleted facility involved, the allocation thereof as a charge against renegotiable and non-renegotiable business, and the basis of such allocation, including sufficient data with respect to each such facility to enable the War Contracts Board to evaluate contractor's estimate of the amount of such amortization deduction chargeable to renegotiable business.

(5) *Basis of determination.* Claims for net renegotiation rebates will be verified by reference to all of the renegotiation files and departmental reports of renegotiation. In those cases in which the amount of additional amortization involved or the basis of allocation thereof are in doubt or cannot be accurately determined, or the financial data submitted by the contractor with respect thereto differ from that contained in the renegotiation records, the War Contracts Board shall determine the matter by making a specific finding, on the basis of all relevant data, of the amount of additional amortization properly allocable to renegotiable business.

(6) *Determination of net renegotiation rebate.* Upon the determination of the amount of the gross renegotiation rebate, the Office of the Commissioner of Internal Revenue (or its designated representative) will be notified of the amount thereof and requested to furnish a computation of the amount of the Federal tax benefit thereon. The War Contracts Board will, upon being advised of the amount of the Federal tax benefit, determine the amount of the net renegotiation rebate in accordance with the provisions of subsection (a) (4) (D) of the Renegotiation Act and certify to the Secretary of the Treasury the amount of the net renegotiation rebate for payment. [RR 383.3]

PART 1604—DETERMINATION AND ELIMINATION OF EXCESSIVE PROFITS

SUBPART B—RECOVERY OF EXCESSIVE PROFITS ALREADY REALIZED

Paragraph (a) of § 1604.422–4 is amended to read as follows:

§ 1604.422–4 *Interest.* (a) No renegotiation agreement when originally made shall require the payment of interest on installments of the refund which are not in default thereunder and which are provided to be payable within a two-year period after the close of the fiscal period to which the renegotiation relates. A renegotiation agreement providing for the payment of a refund or portion thereof beyond two years after the close of the fiscal period to which the renegotiation relates shall require the payment of interest at the rate of 6% per annum from and after the date which is two years after the last day of the fiscal period to which the renegotiation relates or 30 days after execution and delivery of the agreement, whichever is later. If in the judgment of the renegotiating agency the agreement has been delayed by the fault of the contractor, interest may run from any agreed date not earlier than two years after the last day of the fiscal period to which the renegotiation relates.

PART 1607—FORMS FOR RENEGOTIATION

SUBPART A—FORMS RELATING TO IDENTIFICATION, ASSIGNMENT AND CANCELLATION OF CASES

Section 1607.704–4 is added as follows:

§ 1607.704–4 *Notice to contractor filing Standard Form of Contractor's Report prior to end of fiscal year.*

Date_____

Contractor's Name_____

Address _____

DEAR SIR: This is to acknowledge receipt of the "Standard Form of Contractor's Report" filed by you for the period ending_____.

In view of the fact that your fiscal year does not end until_____, the report is being accepted as a tentative filing only. The Renegotiation Act (sec. 403 (c) (5) (A)) requires the filing of such a report on or before the first day of the fourth month "following the close of the fiscal year." The purpose of requiring the filing to be after the close of the fiscal year is to insure that all renegotiable sales are included.

While the termination date of the Renegotiation Act is December 31, 1945, section 403 (h) of the Act provides that profits which are reasonably allocable to performance prior to that time "shall be considered as having been received or accrued not later than the termination date," regardless of the method of accounting employed by a contractor. Under this, it is possible that profits may be received or accrued after December 31, 1945, according to a contractor's method of accounting and yet under the above section they may be subject to renegotiation. An example of this would be income received or accrued in 1946 from a claim under section 17 of the Contract Settlement Act which related to performance of a contract prior to December 31, 1945.

In view of the above, the report filed at this time by you does not constitute full compliance with section 403 (c) (5) (A) of the Act, and the statute of limitations with respect to the commencement and completion of renegotiation does not commence to run from the date of your tentative filing. However, if at the end of your fiscal year, you will advise this office in writing that no additional profits which under section 403 (h) are attributable to performance prior to January 1, 1946, and, therefore, subject to renegotiation, have been received or accrued by you subsequent to December 31, 1945, no additional report will be required. In the event that additional profits subject to renegotiation have been received or accrued by you subsequent to December 31, 1945, it will be necessary for you to file with this office a revised "Standard Form of Contractor's Report". For your convenience, additional copies of this report are inclosed.

Very truly yours,

_____

(Name of Renegotiating Department or Service.)

[RR 704.4]

SUBPART I—ADDRESSES

1. Section 1607.791–1 is amended to read as follows:

§ 1607.791–1 *Secretary's Office.*

Room 3C 686, The Pentagon, Washington 25, D. C., Tel. Republic 6700, Ext. 73636.

[RR 791.1]

2. Section 1607.791–5 is amended to read as follows:

§ 1607.791–5 *Pentagon Office.*

Room 3C 686, The Pentagon, Washington 25, D. C., Tel. Republic 6700, Ext. 73636.

[RR 791.5]

3. Section 1607.792 is amended to read as follows:

§ 1607.792 *Departmental Price Adjustment Boards.*

War Department Price Adjustment Board, Attention: Mr. Wm. H. Coulson, Executive Officer, Room 3B 712, The Pentagon, Washington 25, D. C., Tel. Republic 6700, Ext. 5672.

Navy Price Adjustment Board, Attention: Mr. Edwin H. Barker, Chairman (Navy Department), Room 3329, Main Navy Building, 18th and Constitution Avenue NW., Washington 25, D. C., Tel. Republic 7400, Ext. 5169.

Treasury Department Price Adjustment Board, Attention: Mr. Raymond Eberly, Chairman, 5304 Procurement Building, 7th and D Streets SW., Washington 25, D. C., Tel. District 5700, Ext. 2105.

Maritime Commission Price Adjustment Board, Attention: Mr. John R. Paull, Chairman, Room 512, Electrical Workers Building, 1200 15th Street NW., Washington 5 D. C., Tel Executive 3340., Ext. 608.

Maritime Commission Price Adjustment Board for Shipping Operations, Attention: Mr. James L. Murphy, Chairman, 39 Broadway, New York 6, N. Y., Tel. Whitehall 3–8000.

Reconstruction Finance Corporation Price Adjustment Board, Attention: Mr. Henry T. Bodman, Chairman, Lafayette Building, 811 Vermont Avenue NW., Washington 25, D. C., Tel. Executive 3111, Ext. 8 or 48.

[RR 792]

4. Section 1607.793–1 is amended to read as follows:

§ 1607.793–1 *Headquarters.*

Army Air Forces, Price Adjustment Branch, Readjustment & Procurement Division, Office of Assistant Chief Air Staff—4, Room 5E 921, The Pentagon, Tel. Republic 6700, Exts. 72209, 4420, 74568.

Price Adjustment Unit, TSBPS9A, Air Technical Service Command, Army Air Forces, Wright Field, Dayton, Ohio, Tel. Kenmore 7111, Exts. 22135–23292–25225.

The Chief of Chemical Corps, Attention: Mr. Carl Moline, Renegotiation Branch, Baltimore Sub-Office, OC CWS, 200 West Baltimore Street, Baltimore 1, Md., Tel. Lexington 0710.

The Chief of Engineers, Attention: Mr. John B. Heroman, Jr., Price Adjustment Section, Room 1713, Building T7, Gravelly Point, Va., Tel. Republic 6700, Ext. 3073.

The Chief of Ordnance, Attention: Mr. Ross Pancoast, Price Adjustment Branch, Room 2D 445, The Pentagon, Washington 25, D. C., Tel. Republic 6700, Ext. 6568.

The Quartermaster General, Attention: Mr. Gaze Lukas, Price Adjustment Section, Room 2645, Tempo. A., 2d and Q Streets SW., Washington 25, D. C., Tel. Republic 6700, Ext. 3744.

The Chief Signal Officer, Attention: Maj. Jos. G. Bent, Jr., Price Adjustment Section, Room 3C 285, The Pentagon, Washington 25, D. C., Tel. Republic 6700, Ext. 2635.

The Chief of Transportation, Attention: Mr. Halsey Dunwoody, Price Adjustment Section, Room 3B 521, The Pentagon, Washington 25, D. C., Tel. Republic 6700, Ext. 73885.

[RR 793.1]

5. Sections 1607.798 through 1607.798–2, inclusive, are revoked as follows:

§ 1607.798 *War Department Power Procurement Officer.* [Revoked.]

§ 1607.798–1 *Headquarters.* [Revoked.]

§ 1607.798–2 *Field offices.* [Revoked.]

6. The headnote of § 1607.799 is amended to read *"Maritime Commission"*.

7. The headnote of § 1607.799–2 is amended to read *"Maritime Commission Price Adjustment Board for Shipping Operations"*.

PART 1608—TEXT OF STATUTES, ORDERS, JOINT REGULATIONS AND DIRECTIVES

SUBPART B—DELEGATIONS OF AUTHORITY

Sections 1608.822 through 1608.822–6 are added as follows:

§ 1608.822 *Delegations of authority within the named departments.* [RR 822]

§ 1608.822–1 *Delegations of authority within the War Department.* The delegations of authority within the War Department are published in the FEDERAL REGISTER of Saturday, August 31, 1946 (11 F. R. 9635). [RR 822.1]

§ 1608.822–2 *Delegation of authority within the Navy Department.* The delegation of authority within the Navy Department is published in the FEDERAL REGISTER of Tuesday, September 10, 1946 (11 F. R. 9932). [RR 822.2]

§1608.822–3 *Delegation of authority within the Treasury Department.* The delegation of authority within the Treasury Department is published in the FEDERAL REGISTER of Wednesday, September 11, 1946 (11 F. R. 10035). [RR 822.3]

§ 1608.822–4 *Delegation of authority within the United States Maritime Commission.* The delegation of authority within the Maritime Commission is published in the FEDERAL REGISTER of Friday, September 20, 1946 (11 F. R. 10615). [RR 822.4]

§ 1608.822–6 *Delegations of authority within the Reconstruction Finance Corporation.* The delegations of authority within the Reconstruction Finance Corporation are published in the FEDERAL REGISTER of Thursday, September 5, 1946 (11 F. R. 9757). [RR 822.6]

[F. R. Doc. 47–145; Filed, Jan. 7, 1947; 8:50 a. m.]

TITLE 49—TRANSPORTATION AND RAILROADS

Chapter I—Interstate Commerce Commission

[S. O. 653, Amdt. 1]

PART 95—CAR SERVICE

DEMURRAGE CHARGES ON GONDOLA, OPEN AND COVERED HOPPER CARS

At a session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D. C., on the 2d day of January A. D. 1947.

Upon further consideration of Service Order No. 653 (11 F. R. 14572), and good cause appearing therefor: it is ordered, that:

Section 95.653 *Demurrage charges on gondola, open and covered hopper cars,* of Service Order No. 653, be, and it is hereby, amended by substituting the following paragraph (c) (2) for paragraph (c) (2) thereof:

(c) *Application.* * * *

(2) *Description of cars.* This section shall apply to cars suitable for interchange described under the headings Class G—Gondola Car Type, Class H—Hopper Car Type, also covered hopper cars having a mechanical designation "LO" or gondolas "MWB" in the current Official Railway Equipment Register.

It is further ordered, that this amendment shall become effective at 7:00 a. m., January 6, 1947.

It is further ordered, that a copy of this order and direction shall be served upon each State railroad regulatory body, and upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

(40 Stat. 101; sec. 402, 41 Stat. 476; sec. 5, 54 Stat. 901; 49 U. S. C. 1 (10)–(17))

By the Commission, Division 3.

[SEAL] W. P. BARTEL, *Secretary.*

[F. R. Doc. 47–152; Filed, Jan. 7, 1947; 8:51 a. m.]

[S. O. 260, Amdt. 5]

PART 95—CAR SERVICE

SALTING OF ICE ON CARS OF CITRUS

At a session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D. C., on the 2d day of January A. D. 1947.

Upon further consideration of the provisions of Service Order No. 260 (9 F. R. 14547), as amended (10 F. R. 4818; 11 F. R. 8452, 13639), and good cause appearing therefor; it is ordered, that:

Section 95.260, *Salting of ice on cars of citrus,* of Service Order No. 260, as amended, be, and it is hereby, further amended by adding the following exception to paragraph (a) thereof:

Exception. The provisions of this section, during the effectiveness of this amendment, shall not apply to the salting, at regular icing stations en route, with not to exceed three percent (3%) salt, of ice in the bunkers of refrigerator cars, shipped from any origin in the State of Florida, loaded with straight carloads of tangerines, or loaded with mixed carloads of tangerines and other citrus fruit providing tangerines comprise fifty percent (50%) or more of the lading.

Effective date. This amendment shall become effective at 12:01 a. m., January 3, 1947.

Expiration date. This amendment shall expire at 11:59 p. m., February 1, 1947.

It is further ordered, that a copy of this order and direction be served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

(40 Stat. 101; sec. 402, 41 Stat. 476; sec. 4, 54 Stat. 901; 49 U. S. C. 1 (10)-(17))

By the Commission, Division 3.

[SEAL] W. P. BARTEL, *Secretary.*

[F. R. Doc. 47-153; Filed, Jan. 7, 1947; 8:51 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

[7 CFR, Parts 904, 927, 934, 945, 947, 961]

HANDLING OF MILK IN NEW YORK METROPOLITAN, PHILADELPHIA, PA., WASHINGTON, D. C., GREATER BOSTON, LOWELL-LAWRENCE, AND FALL RIVER, MASS., MILK MARKETING AREAS

CONSIDERATION OF SUSPENSION OF PRICING PROVISIONS

Notice is given that pursuant to the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), consideration is being given to the suspension of such of the class pricing provisions of Orders Nos. 27, 61, 45, 4, 34, and 47, as amended, regulating the handling of milk in the New York Metropolitan, Philadelphia, Pennsylvania, Washington, D. C., Greater Boston, Lowell-Lawrence, and Fall River, Massachusetts, marketing areas, respectively, as may be necessary to reflect current economic conditions affecting the market supply and demand for milk and its products in the aforesaid marketing areas.

In accordance with the Administrative Procedure Act (Public Law 404, 79th Cong., 60 Stat. 237), all persons who desire to submit oral or written data, views, or argument with respect to the specific adjustment of prices for all classes of milk in the aforesaid marketing areas as may be necessary to reflect current economic conditions affecting the supply and demand for milk and its products, will be given an opportunity to do so at the Thomas Jefferson Auditorium, South Building, United States Department of Agriculture, Washington, D. C., beginning at 10 a. m. January 9, 1947.

Issued at Washington, D. C., this 3d day of January 1947.

CLINTON P. ANDERSON, *Secretary of Agriculture.*

[F. R. Doc. 47-149; Filed, Jan. 7, 1947; 8:49 a. m.]

NOTICES

FEDERAL POWER COMMISSION

[Docket No. IT-6009]

SOUTHWESTERN PUBLIC SERVICE CO.

NOTICE OF ORDER DISMISSING APPLICATION FOR WANT OF JURISDICTION

JANUARY 2, 1947.

Notice is hereby given that, on January 2, 1947, the Federal Power Commission issued its order dismissing application for want of jurisdiction, entered December 31, 1946, in the above-designated matter.

LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 47-143; Filed, Jan. 7, 1947; 8:50 a. m.]

[Docket No. G-834]

AUSTIN FIELD PIPE LINE CO.

NOTICE OF APPLICATION

JANUARY 2, 1947.

Notice is hereby given that on December 13, 1946, in compliance with the provisions of paragraph (B) (v) of the findings and order issuing certificate of public convenience and necessity entered on November 30, 1946, "in the matter of Michigan-Wisconsin Pipe Line Company," Docket No. G-669, an application was filed with the Federal Power Commission by Austin Field Pipe Line Company ("Applicant"), a Michigan corporation having its principal place of business in the City of Detroit, Michigan, and authorized to do business in the State of Michigan, for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, as amended, to authorize the construction of certain natural-gas pipeline facilities, subject to the jurisdiction of the Federal Power Commission, all of which said facilites are hereinafter more fully described.

Applicant seeks authorization to construct the following facilities:

(a) A 26-inch O. D. steel pipeline, approximately 140 miles in length, from a point at the Austin Storage Field near the common corner of Sections 3, 4, 9, and 10 in Austin Township, Mecosta County, Michigan, to a point near the southwest corner of Section 35, Township 1 North, Range 10 East, Southfield Township, Oakland County, Michigan, connecting the Austin Gas Storage Field with a metering station at or adjacent to the gas distribution system of Michigan Consolidated Gas Company ("Michigan Consolidated") for the Detroit District, which proposed transmission line is hereinafter referred to as the "Austin-Detroit Line";

(b) A 6⅝-inch O. D. steel pipeline, approximately 25 miles in length, from the proposed Austin-Detroit Line at a point located near the intersection of Rowe and Milford Roads, Section 3, Township 2 North, Range 7 East, Milford Township, Oakland County, Michigan, to a metering station at 847 Broadway, Ann Arbor, Washtenaw County, Michigan, connecting the proposed Austin-Detroit Line with a metering station at or adjacent to the gas distributing system of Michigan Consolidated for the Ann Arbor District, which proposed pipeline is hereinafter referred to as the "Ann Arbor Lateral";

(c) A 6⅝-inch O. D. steel pipeline, approximately 10 miles in length, from a point in Richland Township, Montcalm County, Michigan, to a point in Union Township, Isabella County, Michigan, connecting the Austin-Detroit Line with a metering station located near Mt. Pleasant, Isabella County, Michigan, and adjacent to the gas distribution system of Michigan Consolidated in its Mt. Pleasant District, which proposed pipeline is hereinafter referred to as the "Mt. Pleasant Lateral";

(d) A 10¾-inch O. D. steel pipeline, approximately 4½ miles in length, from a point near the northwest corner of Section 5, Walker Township, Kent County, Michigan, to a point near the southeast corner of Section 11, in said Walker Township, connecting the proposed 22-inch pipeline of Michigan-Wisconsin Pipe Line Company ("Michigan-Wisconsin") with a metering station at or adjacent to the gas distribution system of Michigan Consolidated in the Grand Rapids District, which proposed gas transmission pipeline is hereinafter referred to as the "Grand Rapids Lateral";

(e) A 24-inch O. D. steel pipeline approximately 22 miles in length, from a point in the Austin Storage Field near

the common corner of Sections 3, 4, 9 and 10 in Austin Township, Mecosta County, Michigan, to a point in the Reed City Field near the common corner of Sections 29, 30, 31, and 32 in Lincoln Township, Osceola County, Michigan, connecting the Austin Storage Field with the Reed City Field, which proposed pipeline is hereinafter referred to as the "Austin-Reed City Line";

(f) A gas compressor station (6,000 H. P.) on the Austin-Detroit Line at the Austin Storage Field, which compressor station is hereinafter called the "Austin Compressor Station".

The construction of the facilities described above is to be commenced on or before January 1, 1948, and to be completed according to the following schedule:

Items (a), (b), (c), (d) and 3,000 horsepower of Item (f) will be completed on or before the completion by Michigan-Wisconsin of its proposed pipeline which is designed to bring natural-gas from the Hugoton Field in Oklahoma and Texas to various markets including the several districts of Michigan Consolidated. Thereafter Item (f) is to be completed by the installation of 1,000 horsepower per year during each of the following three years. Item (e) will be completed on or before December 31, 1951.

Applicant proposes only to construct the facilities herein described, and states that it will not operate them. The application recites that the facilities will be leased to Michigan-Wisconsin for operation prior to December 31, 1951, and will be sold to Michigan-Wisconsin on or before December 31, 1951. The application further states that Michigan-Wisconsin will operate the facilities as an integral part of its natural-gas pipeline project which heretofore has been authorized by the Commission subject, among other things, to the authorization of the construction and operation of the facilities herein described.

It is stated in the application that under the provisions of a contract dated December 4, 1945, between Michigan-Wisconsin and Michigan Consolidated, known as the "Gas Contract", Michigan Consolidated obligated itself to construct, or to cause to be constructed through wholly-owned subsidiary, the facilities herein described. It is further stated that Michigan Consolidated elected, pursuant to Article XV of said "Gas Contract" to perform its obligations through Applicant which was organized for that purpose. Subsequently, on December 9, 1946, a contract between Applicant, Michigan-Wisconsin, and Michigan Consolidated was executed, known as the "Tri-Partite Contract", covering the construction, financing, lease, operation and sale of the proposed facilities. The application states that the lease of the facilities by Michigan-Wisconsin and the eventual sale thereto will be in accordance with said "Gas Contract", as amended, and said Tri-Partite Contract. According to the application, no contracts for the actual construction of the proposed facilities have been made.

The total over-all cost of construction of the proposed facilities is estimated by Applicant at $7,188,592, and Applicant proposes to finance the construction through the sale of all its common stock having a total par value of $500,000 to Michigan Consolidated, and through bank loans, the terms of which will not extend beyond December 31, 1951. It is proposed to use the income received from the leased facilities to meet Applicant's obligations and to amortize a portion of the bank loans, and, upon sale of the facilities to Michigan-Wisconsin, to pay off the remaining balance of the bank loans.

Applicant states that no operating revenues will be expected from the proposed facilities due to the manner of proposed operation, and there will be no operating expenses except taxes, interest, depreciation at an annual rate of 3⅓%, and miscellaneous expenses arising from Applicant's corporate existence and its ownership of the proposed facilities.

Any interested state commission is requested to notify the Federal Power Commission whether the application should be considered under the cooperative provisions of the Commission's rules of practice and procedure, and, if so, to advise the Federal Power Commission as to the nature of its interest in the matter and whether it desires a conference, the creation of a board, or a joint or concurrent hearing together with the reasons for such request.

Any person desiring to be heard or to make any protest with reference to the application of Austin Field Pipe Line Company should file with the Federal Power Commission, Washington 25, D. C., not later than fifteen days from the date of the publication of this notice in the FEDERAL REGISTER, a petition or protest in accordance with the Commission's rules of practice and procedure.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 47-160; Filed, Jan. 7, 1947; 8:51 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. SA-133]

ACCIDENT OCCURRING NEAR SAN DIEGO, CALIF.

NOTICE OF HEARING

In the matter of investigation of accident involving aircraft of United States Registry NC 45395 which occurred near San Diego, California on December 24, 1946.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, particularly section 702 of said act, in the above-mentioned proceeding that hearing is hereby assigned to be held on Wednesday, January 8, 1947, at 9:30 a. m. (local time) in U. S. Customs House and Court House, Room 234, at 325 West F Street, San Diego, California.

Dated: Washington, D. C., January 3, 1947.

[SEAL] W. K. ANDREWS,
Presiding Officer.

[F. R. Doc. 47-161; Filed, Jan. 7, 1947; 8:51 a. m.]

INTERSTATE COMMERCE COMMISSION

[No. 29670]

INCREASED PER DIEM CHARGE ON FREIGHT CARS

NOTICE OF INVESTIGATION AND ASSIGNMENT OF HEARING

At a general session of the Interstate Commerce Commission, held at its office in Washington, D. C., on the 18th day of December A. D. 1946.

The Commission having under consideration the matter of the basis of rates of compensation for car hire by common carriers by railroad subject to the Interstate Commerce Act,

It is ordered, That under the authority of section 1 (14) (a) of the Interstate Commerce Act an investigation be, and it is hereby, instituted by the Commission, upon its own motion, for the purpose of determining whether the establishment of a rate of $2.00 per day or other increased rate to be paid to the owner for the use of each car during periods of car shortage (except tank and refrigerator) by any common carrier would promote greater efficiency in the use and increase the supply of cars; with the view to the making of findings and the entry of an order or orders, under the authority of the Interstate Commerce Act (49 U. S. Code, secs. 1-27), and particularly section 1 (10), (11), (13) and (14) thereof, requiring the establishment of an increased basis and rate of compensation for car hire during periods of car shortage if it be found that it will promote greater efficiency in the use and increase the supply of cars.

It is further ordered, That all common carriers by railroad subject to the Interstate Commerce Act and all other persons owning or leasing freight cars (except tank and refrigerator cars) to any such carrier be, and they are hereby made respondents to this proceeding; that a copy of this order be served upon each of said respondents and upon the Association of American Railroads, Car Service Division, and that notice of this proceeding be given to the general public by depositing a copy of this order in the office of the Secretary of the Commission at Washington, D. C., and by publishing it in the FEDERAL REGISTER,

And it is further ordered, That this proceeding be, and it is hereby, assigned for hearing at the offices of the Interstate Commerce Commission, Washington, D. C., before Examiners Myron Witters and Paul C. Smith, February 12, 1947, at 9:30 a. m., United States standard time.

By the Commission.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 47-154; Filed, Jan. 7, 1947, 8:45 a. m.]

SECURITIES AND EXCHANGE COMMISSION

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC., AND LEASON & CO., INC.

NOTICE REGARDING FILING OF APPLICATION

At a regular session of the Securities and Exchange Commission held at its office in the City of Philadelphia, Pennsylvania on the 1st day of January 1947.

Notice is hereby given that the National Association of Securities Dealers, Inc., a registered securities association (hereinafter referred to as the Association), has filed with this Commission, on behalf of Leason & Co., Inc., an application for approval of the continuance of the membership of Leason & Co., Inc. in the Association, pursuant to the provisions of section 15A (b) (4) of the Securities Exchange Act of 1934.

Among other things, the above application states that:

A. Lowell Niebuhr is now employed by Leason & Co., Inc., a member of the Association, with offices at 39 South La Salle Street, Chicago 3, Illinois.

B. In 1942 and prior thereto, Lowell Niebuhr was president of Lowell Niebuhr & Co., which at that time was a member of the Association with offices in Chicago, Illinois.

C. By decision of the Board of Governors, issued on October 26, 1942, the firm of Lowell Niebuhr & Co. was expelled from membership in the Association for certain violations of the Association's Rules of Fair Practice.

D. The District Committee for District No. 8 and the Board of Governors of the Association, having reviewed the record in the proceedings resulting in such order of expulsion and having considered the subsequent activity of Lowell Niebuhr and his general reputation in the business community, believe that he has been sufficiently penalized for the violations of the rules which were the subject of such disciplinary proceedings, that he should be permitted to engage in the securities business as an employee and registered representative of Leason & Co., Inc., and that the continuance of Leason & Co., Inc. in membership in the Association with Lowell Niebuhr as an employee and registered representative thereof would be consonant with the stated purposes and policies of section 15A of the act.

E. The Association now applies for approval of the Commission to continuance of Leason & Co., Inc. in membership in the Association with Lowell Niebuhr as an employee.

Under the provisions of section 15A (b) (4) of the Securities Exchange Act of 1934, as amended, and section 2 of article I of the Association's By-Laws, the firm of Leason & Co., Inc. may not be continued in membership in the Association so long as Lowell Niebuhr is controlled by said company except with the approval of the Securities and Exchange Commission based upon a finding that such approval is appropriate in the public interest.

Any interested person may informally present his views or any information relating to this matter by communicating with Thomas B. Hart, Regional Administrator of the Commission's Chicago Regional Office, 105 West Adams Street, Chicago 3, Illinois, on or before January 17, 1947. Within the same time any person desiring that a formal hearing be held may file with the Secretary a written request to that effect, together with a brief statement of the nature of his interest in the proceeding and the position which he proposes to take. In the absence of such a request by any person having a bona fide interest in the proceeding, the Commission will either set the matter down for hearing on its own motion after appropriate notice or, if it should appear appropriate to do so, will grant the application on the basis of the record and without formal hearing.

This notice shall be served on Leason & Co., Inc. and the Association not less than fifteen (15) days prior to January 17, 1947, and published in the FEDERAL REGISTER in the manner prescribed by the Federal Register Act not later than fifteen (15) days prior to January 17, 1947.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 47-139; Filed, Jan. 7, 1947; 8:49 a. m.]

[File No. 70-984]

CAPITAL TRANSIT CO.

SUPPLEMENTAL ORDER RELEASING JURISDICTION WITH RESPECT TO PAYMENT OF FINANCIAL ADVISER'S FEE

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 31st day of December 1946.

The Commission having issued its supplemental order in the above-captioned proceedings on June 29, 1945, in which jurisdiction was reserved with respect to the payment of the fee of the financial adviser incurred in connection with the issuance and sale by Capital Transit Company of $12,500,000 principal amount of its First and Refunding Mortgage Bonds, Series A, 4%, due December 1, 1964, and its unsecured bank loan in the principal amount of $2,500,000; and

The Commission having examined the record herein, as amended, and finding that the financial adviser's fee in the amount of $15,000, payable to Dillon, Read & Co., is not unreasonable for the services, as financial adviser, rendered in connection with said financing;

It is ordered, That jurisdiction be and the same is hereby released with respect to payment of the aforesaid financial adviser's fee in the amount designated.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant to the Secretary.

[F. R. Doc. 47-142; Filed, Jan. 7, 1947; 8:49 a. m.]

[File No. 70-1403]

WASHINGTON RAILWAY AND ELECTRIC CO. ET AL.

ORDER GRANTING APPLICATION AND PERMITTING DECLARATION TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 31st day of December 1946.

In the matter of Washington Railway and Electric Company, the Washington and Rockville Railway Company of Montgomery County, Braddock Light & Power Company, Incorporated, Potomac Electric Power Company, File No. 70-1403.

Washington Railway and Electric Company (Washington Railway), a registered holding company and a subsidiary of The North American Company, also a registered holding company, and The Washington and Rockville Railway Company of Montgomery County (Rockville Railway), Potomac Electric Power Company (Potomac Electric), and Braddock Light & Power Company, Incorporated (Braddock), subsidiaries of Washington Railway, have filed a joint application and declaration and amendments thereto, pursuant to the applicable provisions of the Public Utility Holding Company Act of 1935 (the Act) regarding the following proposals:

Washington Railway proposes (a) to purchase from Rockville Railway, for a cash consideration of $132,500, 19,250 shares of the outstanding capital stock of Braddock owned by Rockville Railway (the remaining 50,000 shares of the total 69,250 shares of outstanding capital stock of Braddock being owned by Washington Railway), and (b) to sell to Potomac Electric 69, 250 shares (all of the shares outstanding) of the capital stock of Braddock, for a cash consideration of $632,500, representing the cost of such stock to the holding company system of Washington Railway.

Potomac proposes to lend and advance to Braddock, from time to time, funds in the amount (not to exceed in the aggregate $14,000,000) necessary to enable Braddock to finance temporarily the construction of generating facilities which will be used primarily for the purpose of meeting Potomac Electric's anticipated future requirements. In consideration of each loan and advance, and in the amount thereof, Braddock will execute and deliver to Potomac Electric its demand promissory notes, bearing interest at the rate of 3½% per annum, payable on December 31 of each year.

Applicants-declarants request that the Commission in its order with respect to the proposed transfers of the capital stock of Braddock recite appropriate statements conforming to the requirements of section 11 (e) of the act and of supplement R and section 1808 (f) of the Internal Revenue Code, specifying and itemizing the securities to be transferred and reciting that such transfers are necessary or appropriate to effectuate the provisions of section 11 (b) of the act.

The application-declaration having been filed on November 20, 1946, and

notice of filing having been duly given in the manner and form prescribed by Rule U–23 under said act, and the Commission not having received a request for hearing with respect to said declaration within the period specified in such notice, or otherwise, and not having ordered a hearing thereon; and

The applicants-declarants having requested that the Commission issue its order within thirty days after the date of filing the application-declaration; and

Washington Railway having represented that the proposed acquisition by Potomac Electric of all of the outstanding capital stock of Braddock will be in furtherance of and in accordance with the provisions of the amended plan heretofore filed with this Commission on August 30, 1946 (File No. 54–98) pursuant to the provisions of section 11 (e) of the act and the order of this Commission dated April 14, 1942, issued against The North American Company and its subsidiary companies for compliance with the provisions of section 11 (b) of said act; and

The Public Utilities Commission of the District of Columbia having issued its order dated December 19, 1946 approving the proposed acquisition by Washington Railway of the said shares of capital stock of Braddock, the proposed sale of said shares of capital stock of Braddock to Potomac Electric and the proposed loans and advances by the latter company to Braddock; and the State Corporation Commission of Virginia, the State in which Braddock is organized and doing business, having issued its order dated December 4, 1946 authorizing the issuance by Braddock to Potomac Electric of the proposed 3½% demand promissory notes, and subject in substance to the conditions (1) that the interest rate of the proposed notes shall be subject to review by said Commission after December 31, 1947, and subject to adjustment in the event of material changes in the cost of money to the lender, and (2) that the authority granted by said order, to the extent not exercised on or before June 30, 1949, shall thereby become automatically suspended until further action by said Commission.

The Commission finding that the requirements of sections 6 (b), 10 (c) (1) and (2) and 12 (d) of the act and Rules U-43, U-44, U-45 and U-50 are satisfied; that no adverse findings are necessary thereunder, and the Commission deeming it appropriate in the public interest and in the interest of investors and consumers to grant said application and permit said declaration to become effective;

It is hereby ordered, Pursuant to Rule U-23 and the applicable provisions of the act and subject to the terms and conditions prescribed in Rule U-24, that the application (as amended, and subject to the terms and conditions prescribed by the order dated December 4, 1946 of the State Corporation Commission of Virginia) be, and the same is hereby, granted and that the declaration (as amended) be, and the same is hereby, permitted to become effective forthwith.

It is further ordered, and the Commission finds, That the transfer of the 19,250 shares of the capital stock of Braddock Light and Power Company, Incorporated, by The Washington and Rockville Railway Company of Montgomery County to Washington Railway and Electric Company and the transfer by Washington Railway and Electric Company of the 69,250 shares of the capital stock of Braddock Light and Power Company, Incorporated, to Potomac Electric Power Company, are necessary or appropriate to effectuate the provisions of section 11 (b) of the Public Utility Holding Company Act of 1935 and are steps in compliance with the order of this Commission dated April 14, 1942, with respect to The North American Company and its subsidiary companies issued pursuant to section 11 (b) (1) of the act.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant to the Secretary.

[F. R. Doc. 47–140; Filed, Jan. 7, 1947; 8:49 a. m.]

[File No. 70–1402]

MILWAUKEE ELECTRIC RAILWAY & TRANSPORT CO. AND WISCONSIN ELECTRIC POWER CO.

ORDER APPROVING APPLICATION AND PERMITTING DECLARATION TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 31st day of December 1946.

The Milwaukee Electric Railway & Transport Company, a wholly-owned subsidiary of Wisconsin Electric Power Company, and said Wisconsin Electric Power Company, a subsidiary of The North American Company, a registered holding company, having filed a joint declaration and application, and amendments thereto, pursuant to the applicable provisions of the Public Utility Holding Company Act of 1935 and the General Rules and Regulations promulgated thereunder, relating to the proposal of The Milwaukee Electric Railway & Transport Company (a) to redeem on or about December 31, 1946, at the principal amount thereof plus accrued interest, $950,000 principal amount of its First Mortgage 4% Bonds owned by Wisconsin Electric Power Company, and (b) to purchase for cash at par for retirement 9,500 shares of its capital stock of the aggregate par value of $950,000 from Wisconsin Electric Power Company, and the proposal of Wisconsin Electric Power Company to surrender the bonds and the stock on the basis described; and

The joint declaration and application having been filed on the 15th day of November, 1946, and an amendment to the declaration-application having been filed on December 19, 1946, and notice of said filing having been duly given in the manner and form prescribed by Rule U–23 under said act, and the Commission not having received a request for a hearing with respect to said joint declaration and application, as amended, within the period specified in such notice, or otherwise, and not having ordered a hearing thereon; and request having been made for accelerated action upon the declaration and application, as amended; and

The Commission finding that the requirements of sections 12 (c) and 12 (f) of the act and Rules U–42 and U–43 promulgated thereunder, are satisfied, that no adverse findings are necessary thereunder and that the request for acceleration should be granted; and the Commission deeming it appropriate in the public interest and in the interest of investors and consumers to approve said application and to permit said declaration to become effective;

It is hereby ordered, That, pursuant to said Rule U–23 and the applicable provisions of said act, the joint amended application be, and the same is hereby, approved and the joint amended declaration be, and the same is hereby, permitted to become effective forthwith, subject, however, to the terms and conditions prescribed in Rule U–24 of the general rules and regulations promulgated under the act, and subject further to continuation of the condition imposed on The Milwaukee Electric Railway & Transport Company by the Commission's order of June 29, 1943 (Release No. 4394) by the terms of which it is provided that if, from time to time, in the future additional common stock is retired by said company, its bonds will be retired to the extent necessary in order that the aggregate par amount of stock outstanding will at least equal two and one-half times the aggregate principal amount of the outstanding bonds.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant to the Secretary.

[F. R. Doc. 47–141; Filed, Jan. 7, 1947; 8:49 a. m.]